

JOINT SPECIAL MEETING / WORK SESSION AGENDA

**JOINT SPECIAL MEETING / CITY COUNCIL WORK SESSION
TUESDAY
MARCH 26, 2013**

**COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
6:00 P.M.**

SPECIAL MEETING

1. **Call to Order**

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. **Pledge of Allegiance**
3. **Roll Call**

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

MAYOR NABOURS
VICE MAYOR EVANS
COUNCILMEMBER BAROTZ
COUNCILMEMBER BREWSTER

COUNCILMEMBER ORAVITS
COUNCILMEMBER OVERTON
COUNCILMEMBER WOODSON

4. **Consideration and Approval of Purchase under Maricopa County Contract:** Aerial Photography and Digital Terrain Model (DTM) Acquisition.

RECOMMENDED ACTION:

Approve the purchase under Maricopa County Contract Aerial Imaging services in the amount of \$98,188.30.

5. **Adjournment**

WORK SESSION

1. **Call to Order**

2. Preliminary Review of Draft Agenda for the April 2, 2013, City Council Meeting.*

** Public comment on draft agenda items may be taken under "Review of Draft Agenda Items" later in the meeting, at the discretion of the Mayor. Citizens wishing to speak on agenda items not specifically called out by the City Council for discussion under the second Review section may submit a speaker card for their items of interest to the recording clerk.*

3. Public Participation (Non-Agenda Items Only):

Public Participation enables the public to address the council about items that are not on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

4. Flagstaff Cultural Partners - Art Incubator Update.

5. Introduction of proposed adoption of the 2012 International Codes and Title 4, 2013 Building Code Amendments.

6. Presentation on the City of Flagstaff's Procurement Code Manual.

7. Presentation on the Discussion and Next Steps for the Core Services Maintenance Facility.

8. Review of Draft Agenda Items for the April 2, 2013, City Council Meeting.*

** Public comment on draft agenda items will be taken at this time, at the discretion of the Mayor.*

9. Public Participation

10. Informational Items To/From Mayor, Council, and City Manager.

11. Adjournment

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this _____ day of _____, 2013.

Elizabeth A. Burke, MMC, City Clerk

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Ladd Vagen, Information Technology Director
Co-Submitter: Candace Schroeder, CPPB, Sr. Proc. Specialist
Date: 03/22/2013
Meeting Date: 03/26/2013



TITLE:

Consideration and Approval of Purchase under Maricopa County Contract: Aerial Photography and Digital Terrain Model (DTM) Acquisition.

RECOMMENDED ACTION:

Approve the purchase under Maricopa County Contract Aerial Imaging services in the amount of \$98,188.30.

Policy Decision or Reason for Action:

The reason for the action is the City's need to replace aerial imagery taken in 2007 with newer, up-to-date, imagery utilized by several City divisions.

Financial Impact:

- The Division of Information Technology has budgeted \$75,000.00 in Fiscal Year 2013 for the purchase of aerial imagery in account number 001-0833-502-2006.
- The Stormwater Section will fund \$17,019.00 from savings related to the drainage maintenance program in Fiscal Year 2013 account number 040-3206-601-2105.
- The Utilities Division will fund \$2,900.00 from savings related to the ADWR Fees that are not required in Fiscal Year 2013 due to changes in state law in account number 201-4201-700-2811.
- The Landfill Section has budgeted \$40,000.00 in Fiscal Year 2013 for the purchase of aerial imagery in account number 280-4104-790-4104.

Connection to Council Goal:

Effective governance

Has There Been Previous Council Decision on This:

This item was discussed at the Flagstaff City Council Regular Meeting of March 19, 2013. At that time several questions were raised, which have been addressed in the attached CCR. This CCR was also circulated to the Council prior to the meeting. As directed by the motion made at the March 19, 2013, meeting, this item has been placed on a Special Meeting agenda for March 26, 2013, should the Council wish to move forward at that time since time is of the essence with this project.

Options and Alternatives:

- Option A: Utilize Maricopa County's contract with Sanborn as the lowest, responsive and responsible bidder for the amount of \$98,188.30 for Aerial Photography and Digital Terrain services.
- Option B: Conduct our own formal competitive bid process.
- Option C: Continue to use existing Aerial Photography and Digital Terrain from 2007.

Background/History:

The City has been purchasing aerial photographs for decades to support the efforts of many divisions. Historically, the City purchased aerials by quarter section tiles, a few quarter sections every year. At the time, this was more economical, but left the City with a patchwork of photos and Digital Terrain Models (DTMs) from many different years. One quarter section photo may have been taken in 1995, and the next quarter section may have been from 1988. Newer roads, subdivisions, and other developments would often disappear when moving from a newer quarter section photo to an older one. Because of major improvements in computer technology, digital photography and other equipment used in the acquisition of aerial photography, the price has come down considerably while the quality has gone up. Today we can purchase seamless high resolution color aerial photography (including near infrared) for the entire City plus a two mile buffer area for the same price of a few black and white quarter sections in the 1990's.

Key Considerations:

- Aerial photographs are used by the GIS section to update and maintain many GIS data layers.
- Aerial photographs and the accompanying DTM update will be used by Storm Water for their master plan and to share with FEMA floodplain mapping.
- The DTM update will be used by Public Works to update landfill usage calculations.
- NIR (Near Infrared) from the photographs could be used to do a forest health study showing the effects of drought on our forests and assist with thinning projects.
- Buying new Citywide images every few years makes it possible to show how the City changes and grows over time. The last set of aerial photographs were taken in the fall of 2007. The optimal time of year to take aerial photos for the City's purposes is in the spring just before the trees begin producing leaves.
- The aerial photographs, DTM updates and resulting GIS data are used by the public for a variety of purposes.

Community Benefits and Considerations:

The aerial photographs, DTM data and resulting GIS data updates are used by developers, engineers, real estate agents and other businesses for a variety of purposes beneficial to the City.

Community Involvement:

Inform

Expanded Options and Alternatives:

- Option A: Utilize Maricopa County's contract from Sanborn as the lowest, responsive and responsible bidder for the amount of \$98,188.30 for Aerial Photography and Digital Terrain services.
- Option B: Conduct our own formal competitive bid process.
- Option C: Continue to use existing Aerial Photography and Digital Terrain from 2007.

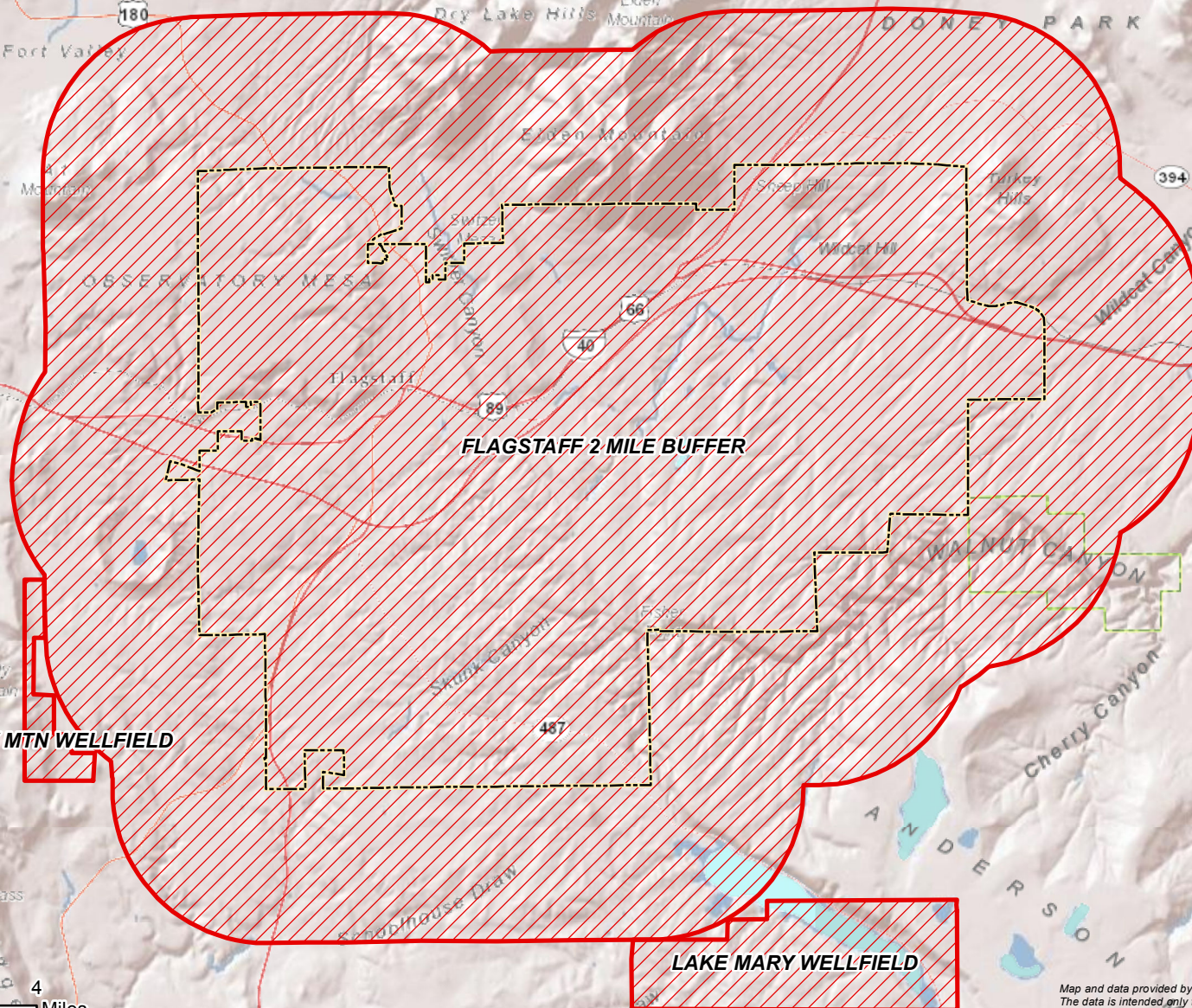
Attachments: [Map of proposed aerial photography](#)

Draft Service Agreement

CCR

Proposed Flight Areas Flagstaff Aerial Project 2013

LANDFILL



Map and data provided by COF GIS Section 03/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

ATTACHMENT A

**DRAFT AGREEMENT FOR
AERIAL IMAGERY SERVICES**

CITY OF FLAGSTAFF

and

SANBORN COMPANY, INC.

This Agreement for a City of Flagstaff Aerial Imagery Services ("Agreement") is made by and between the City of Flagstaff ("City"), a municipal corporation with offices at 211 W. Aspen Avenue, Flagstaff, Coconino County, Arizona, and Sanborn Company, Inc, with an office at 1935 Jamboree Drive Ste 100, Colorado Springs, Colorado ("Provider"), effective as of the date written below.

RECITALS

- A. The City desires to enter into this Agreement for Aerial Imagery Services for the City of Flagstaff; and
- B. Provider has available and offers to provide the personnel necessary to organize and provide said services in accordance with the Scope of Work, attached to this Agreement as Exhibit A;

For the reasons recited above, and in consideration of the mutual covenants contained in this Agreement, the City and Provider agree as follows:

1. SERVICES TO BE PERFORMED BY PROVIDER

Provider agrees to provide the services, as set forth in detail in Maricopa County RFP 12071 attached hereto and hereby incorporated as part of this Agreement and adopted by reference.

2. COMPENSATION OF PROVIDER

The City agrees to make payment, in the amount of \$ 98,188.30 for Aerial Imagery services set forth in.

3. RIGHTS AND OBLIGATIONS OF PROVIDER

3.1 Independent Contractor. The parties agree that Provider performs specialized services and that Provider enters into this Agreement with the City as an independent contractor. Nothing in this Agreement shall be construed to constitute Provider or any of

Provider's agents or employees as an agent, employee or representative of the City. As an independent contractor, Provider is solely responsible for all labor and expenses in connection with this Agreement and for any and all damages arising out of Provider's performance under this Agreement. Provider is not obligated to accept all requests for services, depending on circumstances with other work being performed for other clients.

3.2 Provider's Control of Work. All services to be provided by Provider shall be performed as determined by the City in accordance with the Scope of Services set forth in Exhibit "A." Provider shall furnish the qualified personnel, materials, equipment and other items necessary to carry out the terms of this Agreement. Provider shall be responsible for and in full control of the work of all such personnel.

3.3 Reports to the City. Although Provider is responsible for control and supervision of work performed under this Agreement, the services provided shall be acceptable to the City and shall be subject to a general right of inspection and supervision to ensure satisfactory completion. This right of inspection and supervision shall include, but not be limited to, all reports if requested by the City to be provided by Provider to the City and the right of the City, and the right of the City to audit Provider's records.

3.4 Compliance with All Laws. Provider shall comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government, which may affect the performance of this Agreement. Any provision required by law, ordinances, rules, regulations, or executive orders to be inserted in this Agreement shall be deemed inserted, whether or not such provisions appear in this Agreement.

4. NOTICE PROVISIONS

Notice. Any notice concerning this Agreement shall be in writing and sent by certified or registered mail as follows:

To the City's Authorized Representative:

Candace Schroeder, CPPB
Sr. Procurement Specialist
City of Flagstaff
211 W. Aspen
Flagstaff, Arizona 86001

To Provider:

Jason Caldwell, Regional Manager
Business Development
Sanborn Company, Inc.
1935 Jamboree Drive Ste 100
Colorado Springs, CO 80920

5. INDEMNIFICATION

To the fullest extent permitted by law, Provider shall indemnify, defend, save and hold harmless the City of Flagstaff and its officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by

6. INSURANCE

The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits contained herein are sufficient to protect Provider from liabilities that may arise out of the performance of the work under this Agreement by Provider, its agents, representatives, employees or subcontractors and Provider is free to purchase additional insurance as may be determined necessary.

1. Automobile Liability - Any Auto or Owned, Hired and Non-Owned Vehicles
(Form CA 0001, ed. 12/93 or any replacement thereof.)
Combined Single Limit Per Accident \$1,000,000
for Bodily Injury and Property Damage

B. SELF-INSURED RETENTIONS/DEDUCTIBLES: Any self-insured retentions and deductibles must be noted to the City. However, the Proposer shall be solely responsible for any self-insured and/or deductibles associated with the Proposer's insurance coverage.

C. OTHER INSURANCE REQUIREMENTS: The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages:

- a. The City of Flagstaff, its officers, officials, and employees are additional insureds with respect to liability arising out of: activities performed by, or on behalf of, the Provider; including the City's general supervision of the Provider; products and completed operations of the Provider; and automobiles owned, leased, hired or borrowed by the Provider.
- b. The Provider's insurance shall contain broad form contractual liability coverage.
- c. The Provider's insurance coverage shall be primary insurance with respect to the City, its officers, officials, and employees. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be in excess to the coverage of the Provider's insurance and shall not contribute to it.
- d. The Provider's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. Coverage provided by the Provider shall not be limited to the liability assumed under the indemnification provisions of this contract.
- f. The policies shall contain a waiver of subrogation (not including auto) against the City, its officers, officials, and employees for losses arising from work performed by the Provider for the City.

2. Workers' Compensation and Employer's Liability Coverage: The insurer shall agree to waive all rights of subrogation against the City, its officers, officials, employees and volunteers for losses arising from work performed by the Provider for the City.

6.1 Notice of Cancellation. Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the City, except when cancellation is for non-payment of premium, then at least ten (10) days prior notice shall be given to the City. Such notice shall be sent directly to:

6.2

Rick Compau, C.P.M., CPPO, CPPB
Purchasing Director
City of Flagstaff, Purchasing Division
211 W. Aspen Ave.

Flagstaff, Arizona 86001

6.3 Acceptability of Insurers. Insurance shall be placed with insurers duly licensed or authorized to do business in the State of Arizona and with an "A.M. Best" rating of not less than A- VII, or receiving prior approval by the City. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect Provider from potential insurer insolvency.

6.4 Verification of Coverage. Prior to commencing work or services, Provider shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Agreement. The certificates for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements shall be received and approved by the City before work commences. Each insurance policy required by this Agreement shall be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of this Agreement. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal shall constitute a material breach of contract.

All certificates required by this Agreement shall be sent directly to **Candace Schroeder, CPPB, Sr. Procurement Specialist, City of Flagstaff, Purchasing Division, 211 W. Aspen Ave., Flagstaff, AZ. 86001.** The City project/contract number and project description shall be noted on the certificate of insurance. The City reserves the right to request and receive within ten (10) days, complete, certified copies of all insurance policies required by this Agreement at any time. The City shall not be obligated, however, to review same or to advise Provider of any deficiencies in such policies and endorsements, and such receipt shall not relieve Provider from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Provider's obligations under this Agreement.

6.5 Subcontractors. Providers' certificate(s) shall include all subcontractors as additional insureds under its policies **or** Provider shall furnish to the City separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

6.5 Approval. Any modification or variation from the insurance requirements in this Agreement shall be made by the City Attorney's office, whose decision shall be final. Such action shall not require a formal amendment to this Agreement, but may be made by administrative action.

7. DEFAULT AND TERMINATION

7.1 Events of Default Defined. The following shall be Events of Default under this

Agreement:

7.1.1 Any material misrepresentation made by Provider to the City;

7.1.2 Any failure by Provider to perform its obligations under this Agreement including, but not limited to, the following:

7.1.2.1 Failure to commence work at the time(s) specified in this Agreement due to a reason or circumstance within Provider's reasonable control;

7.1.2.2 Failure to perform the work with sufficient personnel and equipment or with sufficient equipment to ensure completion of the work within the specified time;

7.1.2.3 Failure to perform the work in a manner reasonably satisfactory to the City;

7.1.2.4 Failure to promptly correct or re-perform within a reasonable time work that was rejected by the City as unsatisfactory or erroneous;

7.1.2.5 Discontinuance of the work for reasons not beyond Provider's reasonable control;

7.1.2.6 Failure to comply with a material term of this Agreement, including, but not limited to, the provision of insurance; and

7.1.2.7 Any other acts specifically stated in this Agreement as constituting a default or a breach of this Agreement.

7.2 Remedies.

7.2.1 Upon the occurrence of any Event of Default, the City may declare Provider in default under this Agreement. The City shall provide written notification of the Event of Default and any intention of the City to terminate this Agreement. Upon the giving of notice, the City may invoke any or all of the following remedies:

7.2.1.1 The right to cancel this Agreement as to any or all of the services yet to be performed;

7.2.1.2 The right of specific performance, an injunction or any other appropriate equitable remedy;

7.2.1.3 The right to monetary damages;

7.2.1.4 The right to withhold all or any part of Provider's compensation under this Agreement;

7.2.1.5 The right to deem Provider non-responsive in future contracts to be awarded by the City; and

7.2.1.6 The right to seek recoupment of public funds spent for impermissible purposes.

7.2.2 The City may elect not to declare an Event of Default or default under this Agreement or to terminate this Agreement upon the occurrence of an Event of Default. The parties acknowledge that this provision is solely for the benefit of the City, and that if the City allows Provider to continue to provide the Services despite the occurrence of one or more Events of Default, Provider shall in no way be relieved of any of its responsibilities or obligations under this Agreement, nor shall the City be deemed to waive or relinquish any of its rights under this Agreement.

7.2.3 Any excess costs incurred by the City in the event of termination of this Agreement for default, or in the event the City exercises any of the remedies available to it under this Agreement, may be offset by use of any payment due for services completed before termination of this Agreement for default or the exercise of any remedies. If the offset amount is insufficient to cover excess costs, Provider shall be liable for and shall remit promptly to the City the balance upon written demand from the City.

8. GENERAL PROVISIONS

8.1 Headings. The article and section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of this Agreement.

8.2 Jurisdiction and Venue. This Agreement shall be administered and interpreted under the laws of the State of Arizona. Provider hereby submits itself to the original jurisdiction of those courts located within Coconino County, Arizona.

8.3 Attorney's Fees. If suit or action is initiated in connection with any controversy arising out of this Agreement, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees, or in event of appeal as allowed by the appellate court.

8.4 Severability. If any part of this Agreement is determined by a court to be in conflict with any statute or constitution or to be unlawful for any reason, the parties intend that the remaining provisions of this Agreement shall remain in full force and effect unless the stricken provision leaves the remaining Agreement unenforceable.

8.5 Assignment. This Agreement is binding on the heirs, successors and assigns of the parties hereto. This Agreement may not be assigned by either the City or Provider without prior written consent of the other.

8.6 Conflict of Interest. Provider covenants that Provider presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Provider further covenants that in the performance of this Agreement, Provider shall not engage any employee or apprentice having any such interest. The parties agree that this Agreement may be cancelled for conflict of interest in accordance with Arizona Revised Statutes § 38-511.

8.7 Authority to Contract. Each party represents and warrants that it has full power and authority to enter into this Agreement and perform its obligations hereunder, and that it has taken all actions necessary to authorize entering into this Agreement.

8.8 Integration. This Agreement represents the entire understanding of City and Provider as to those matters contained in this Agreement, and no prior oral or written understanding shall be of any force or effect with respect to those matters. This Agreement may not be modified or altered except in writing signed by duly authorized representatives of the parties.

8.9 Non-appropriation. In the event that no funds or insufficient funds are appropriated and budgeted in any fiscal period of the City for payments to be made under this Agreement, the City shall notify Provider of such occurrence, and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. No payments shall be made or due to Provider under this Agreement beyond these amounts appropriated and budgeted by the City to fund payments under this Agreement.

8.10 Mediation. If a dispute arises out of or relates to this Agreement, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to resolve the dispute by mediation before resorting to litigation or some other dispute resolution procedure. Mediation shall take place in Flagstaff, Arizona, shall be self-administered, and shall be conducted under the CPR Mediation Procedures established by the CPR Institute for Dispute Resolution, 366 Madison Avenue, New York, NY 10017, (212) 949-6490, www.cpradr.org, with the exception of the mediator selection provisions, unless other procedures are agreed upon by the parties. Unless the parties agree otherwise, the mediator(s) shall be selected from panels of mediators trained under the Alternative Dispute Resolution Program of the Coconino County Superior Court. Each party agrees to bear its own costs in mediation. The parties shall not be obligated to mediate if an indispensable party is unwilling to join the mediation. This mediation provision shall not constitute a waiver of the parties' right to initiate legal action if a dispute is not resolved through good faith negotiation or mediation, or if a party seeks provisional relief under the Arizona Rules of Civil Procedure.

8.11 Compliance with Federal Immigration Laws and Regulations. Provider hereby warrants to the City that the Provider and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal Immigration

laws and regulations that relate to its employees and A.R.S. §23-214(A) (hereinafter "Provider Immigration Warranty").

A breach of the Provider Immigration Warranty shall constitute a material breach of this Agreement and shall subject the Provider to penalties up to and including termination of this Agreement at the sole discretion of the City.

The City retains the legal right to inspect the papers of any Provider or Subcontractor employee who works on this Agreement to ensure that the Provider or Subcontractor is complying with the Provider Immigration Warranty. Provider agrees to assist the City in regard to any such inspections.

The City may, at its sole discretion, conduct random verification of the employment records of the Provider and any of subcontractors to ensure compliance with Provider's Immigration Warranty. Provider agrees to assist the City in regard to any random verifications performed.

The provisions of this Article must be included in any contract the Provider enters into with any and all of its subcontractors who provide services under this Agreement or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

8.12 Subcontractors. This Agreement or any portion thereof shall not be subcontracted without the prior written approval of the City. No Subcontractor shall, under any circumstances, relieve Provider of its liability and obligation under this Agreement. The City shall deal through Provider and any Subcontractor shall be dealt with as a worker and representative of Provider. Provider assumes responsibility to the City for the proper performance of the work of Subcontractors and any acts and omissions in connection with such performance. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between the City and any Subcontractor or Sub-Subcontractor, including but not limited to any third-party beneficiary rights.

8.13 Waiver. No failure to enforce any condition or covenant of this Agreement by the City shall imply or constitute a waiver of the right of the City to insist upon performance of the condition or covenant, or of any other provision of this Agreement, nor shall any waiver by the City of any breach of any one or more conditions or covenants of this Agreement constitute a waiver of any succeeding or other breach under this Agreement.

8.14 Business Operations in Sudan/Iran. In accordance with A.R.S. § 35-397, the Provider certifies that the Provider and its affiliates and subsidiaries do not have scrutinized business operations in Sudan or Iran. If the City determines that the Provider's certification is false, the City may impose all legal and equitable remedies available to it, including but not limited to termination of this Agreement.

9. DURATION

This Agreement shall become effective on and from the day and year executed by the parties, indicated below, and shall continue in force for an initial term of three (3) years, beginning [, 2013 through , 2016], unless sooner terminated as provided above. Upon mutual agreement between the City and Provider, this Agreement may be renewed for a maximum of two (2) additional one (1) year terms, upon mutual agreement from both parties. The Purchasing Director of the City has authority to bind the City only for the purpose of renewing the term of this Agreement as described in this section.

City of Flagstaff

Provider

Kevin Burke, City Manager

Attest:

City Clerk

Approved as to form:

City Attorney

Date of Execution:_____

CITY COUNCIL REPORT

DATE: March 21, 2013

TO: Mayor and Councilmembers

FROM: Ladd Vagen

CC: Kevin Burke, Josh Copley, Jerene Watson, Leadership Team

SUBJECT: Aerial Photography

This is in response to the request from Mayor and Council.

DISCUSSION

The following list of questions came from the Council meeting on March 19th, 2013 – the answers are in italics below:

- 1) (a) Why does Yavapai County's interface allow iPhone and iPad to call up the maps, but the Coconino County GIS does not? (b) Could we make that available on the system the public can access here?
 - a) *Yavapai's Parcel viewer is available for use on mobile devices via a web browser, but it is a desktop version, compatible with mobile devices, not a mobile app. Coconino's Parcel viewer is powered by Silverlight (a Microsoft product) and is incompatible with mobile devices, except possibly a mobile device powered by Windows Mobile Operating System. Although Yavapai's parcel viewer is available on-line, it is an old component of the ESRI software which has been discontinued and is no longer supported.*
 - b) *The City has the same GIS software (ESRI Software) as do Yavapai County, Coconino County, the City of Sedona, and virtually all government entities using GIS. The ESRI software which the City currently owns is the most current version available. Included with the software at no additional cost is the ESRI web development kit. Therefore, from a software perspective, the City currently has the software necessary to develop and maintain a publicly accessible GIS website. Where we are constrained is with budget and personnel. We would need to fund and hire a GIS web developer to develop and maintain the web interface – approximately \$84,000 ongoing in the general fund and purchase and configure a public facing web server along with appropriate network security to host the web system – approximately \$8,000 one-time, but refreshed every 4-5 years. This project would enable the City to have and maintain a public facing GIS website. A separate project would be the development of a true City*

of Flagstaff mobile GIS app which would require additional development tools.

- 2) (a) Is Yavapai using Bing and getting updated material annually rather than securing photography themselves? (b) Are they seeing more accuracy due to this?

a) Yavapai is using ESRI World Imagery which is currently hosted and provided by ESRI. The imagery is a mash-up of different sources 'stitched' and stretched together, some from Landsat (satellite), some from Bing, some from Aerials Express, and some from USGS Digital Ortho Quarter Quad imagery. Updates are unpredictable and intermittent, spatial accuracy is not guaranteed, and spatial resolution is random.

b) When the user zooms in as close as the online application allows, the best spatial resolution provided is one foot. Features such as manholes, catch basins, fire hydrants, traffic signals, traffic signal poles, light poles, or utility poles are not reliably distinguishable on a one foot resolution image from ESRI Worldwide Imagery.

The Bing mapping service as it exists now, is freely available to licensed users of ArcGIS (which includes the City). However a recent statement from ESRI revealed that this will change soon:

"Complimentary use of Microsoft's Bing Maps with ArcGIS will begin to be phased out as of February 28, 2013, and will be phased out completely by September 30, 2013. ArcGIS will continue to be Bing Maps ready, but you will have to obtain your own Bing Maps key directly from Microsoft and input the key into your ArcGIS products. Once you input the new key, you will be able to use Bing Maps in your ArcGIS products"

Pricing is not listed on Microsoft's website and for info on licensing and obtaining an Enterprise Key, a representative from Microsoft would need to be directly contacted.

- 3) (a) Would like you to ask them (Yavapai) if they are seeing more accuracy due to annual updates and (b) whether they also secure photos for internal-only use like we do.

a) As stated previously, updates to the Bing and ESRI World Imagery services are unpredictable, sporadic, and not guaranteed.

b) Yavapai County GIS (YCGIS) commissioned an aerial flight in 2007 which included imagery and LiDAR ((LiDAR = Light Detection and Ranging) - two foot contour topographic data is produced from LiDAR) as related to floodplain mapping within the Verde River Lower Oak Creek, and Aqua Fria watersheds. In 2009 they purchased 1 foot resolution images of the northern half of the County from APS. APS does not have a predictable flying schedule or area of interest, and just happened to be flying during 2009. As far as can be determined, no other APS-sponsored flights have occurred in that area since 2009.

The reason we do not see this 2009 Imagery option on the YCGIS website is due to the nature of the purchase agreement. The data APS provided is restricted only to internal use for YCGIS and cannot be served or distributed externally. In addition to the APS data, Yavapai County has no-charge access to imagery acquired by the Sedona, Prescott, and Prescott

Valley GIS departments, but again, it is restricted to internal use only. From what we have learned in speaking with GIS personnel from these agencies, imagery and LiDAR acquisition occurred during the following time frames:

- i) City of Prescott March 2012 by Cooper Aerial*
- ii) City of Sedona Fall 2011 by Cooper Aerial*
- iii) Prescott Valley 2008 by Sanborn*

All of these projects yielded:

- i) images with 6 inch spatial resolution, and guaranteed 1 meter spatial accuracy (all features are within 1 meter of the actual location)*
- ii) two foot contour topographic data which satisfies FEMA standards for digital flood insurance rate mapping.*

4) Why do they (Yavapai) have 4 options for map layers and do they contract for the layering?

a) *These 4 layers are served by YCGIS.*

- i) The NAIP, acquired in 2010, refers to the National Agriculture Imagery Program and is administered by the USDA's Farm Service Agency (FSA) through the Aerial Photography Field Office (APFO). Since its primary use is intended for agricultural applications, NAIP is acquired during the summer when plants have their leaves. It has low spatial resolution (1 meter) but is effective and available at no cost to the user. It is used primarily for studies of vast croplands or expansive forest stands.*
- ii) The digital Digital Globe layer is satellite imagery from 2007 purchased by YCGIS and is most likely intended to show change over time in relation to the dates of the other layers. It has a one foot spatial resolution and YCGIS hosts this data locally.*
- iii) Similarly, the Aerials Express layer from 2009 was purchased by YCGIS and has a spatial resolution of one foot, and is also hosted locally.*
- iv) The fourth layer on the YCGIS website is ESRI World Imagery which is currently hosted and provided by ESRI at no charge*

5) Who provides their (Yavapai) digital images, and do they pull them in off a product that is out there for anyone to use (such as Google, Bing)?

a) *Same answer as number 4*

6) If we need to spend \$98k to update the photos, OK, but if we can do that and update our system, too, would like to know about that option, too. Can we use something that is already out there for the imagery and spend the money on an updated system?

a) *The system/software does not need to be updated as it is already the most current version available from ESRI. Our constraints are:*

- i) Personnel – the GIS section is small – currently 2 positions, with a 3rd position to hopefully be filled in April to replace a staff member the City lost to the Coconino County. Prior to 2008, the GIS section consisted of 5 staff members. Additionally, the GIS staff does not currently have the expertise to develop and maintain the web interface;*
- ii) Time – the current GIS staff are fully assigned with tasks and projects and, besides not having the necessary expertise, do not have available time for additional projects;*

- iii) *Money – the aerial request is a one-time expense; the funding required to hire a GIS web developer is on-going; the purchase of the necessary server and network infrastructure would reoccur every 4-5 years.*
- 7) (a) Do we coordinate with Coconino County in securing aeriels? (b) Do they need photos and should we be sharing the cost and project with them?
 - a) *The City coordinates with the County whenever possible – there are no IGAs in place that guarantees the County's participation.*
 - b) *The County has updated aerial imagery when someone gives it to them. Sources include:*
 - i) *State-wide aerial imagery (2007)*
 - ii) *Outlying areas (Blue Ridge, Mormon Lake – 2004)*
 - iii) *City of Page (~2010)*
 - iv) *City of Sedona (2011)*
 - v) *City of Flagstaff (2007)**The County has updated specific areas when needed (Bellmont, Doney Park, Elk Park Meadows, Kachina Village – 2009, and the Shultz burn area – 2012). The County has no plans for future flights at this time, and may never have had aerial photos taken of the entire county (Coconino County is 18,618 square miles in size – the second largest county in the United States);*
- 8) We haven't had a Work Session so I would be interested in knowing more about the comparison of Yavapai County to Coconino County GIS program that the public can access.
 - a) *The answer is the same as question 1. Additionally, we will have a short presentation on GIS at the work session/special council meeting scheduled for March 26th.*
- 9) Would like to know the County's perspective and if we could switch off paying for this every other update if they shared photo data.
 - a) *The County does seek funding for these types of events now only on an as-needed basis and they are not scheduling reoccurring data acquisitions.*
- 10) Funding Sources:
 - a) **General Fund** – *The Division of Information Technology has budgeted \$75,000.00 in Fiscal Year 2013 for the purchase of aerial imagery in account number 001-0833-502-2006.*
 - b) **Enterprise Fund** – *The Stormwater Section will fund \$17,019.00 from savings related to the drainage maintenance program in Fiscal Year 2013 account number 040-3206-601-2105.*
 - c) **Enterprise Fund** – *The Utilities Division will fund \$2,900.00 from savings related to the ADWR Fees that are not required in Fiscal Year 2013 due to changes in state law in account number 201-4201-700-2811.*
 - d) **Enterprise Fund** – *The Landfill Section has budgeted \$40,000.00 in Fiscal Year 2013 for the purchase of aerial imagery in account number 280-4104-790-4104.*
- 11) Are the aerial photos independent from the system/software?
 - a) *Yes. The photos are JPG files; the system/software provides the delivery method for those photo files.*

RECOMMENDATION / CONCLUSION

This report is for information only.

Memorandum

4.

CITY OF FLAGSTAFF

To: The Honorable Mayor and Council
From: Karl Eberhard, Comm Design & Redevelopment Mgr
Date: 03/20/2013
Meeting Date: 03/26/2013



TITLE:

Flagstaff Cultural Partners - Art Incubator Update.

DESIRED OUTCOME:

Receive informational update, provide direction as appropriate.

INFORMATION:

On Tuesday March 26, 2013, Laura Kelly of Flagstaff Cultural Partners will provide the City Council with an update on the efforts to evaluate the feasibility of developing an Arts Incubator for Flagstaff (update attached). The arts industry is important to Flagstaff as it generates \$72.9 million in total economic activity. This spending—\$37.8 million by nonprofit arts and culture organizations and an additional \$35.2 million in event-related spending by their audiences—supports 2,497 full-time equivalent jobs, generates \$55.7 million in household income to local residents, and delivers \$7.6 million in local and state government revenue.

In April of 2011, Bruce Aiken, Chair of the Beautification and Public Art Commission (BPAC), presented to the City Council on behalf of BPAC a series of ideas the Commission had developed that would stimulate the arts industry in Flagstaff. The development of an Arts Incubator was one of these ideas. The City Council provided direction to explore the development of an incubator with the understanding that long-term financial commitments would not be supported by the City Council. This was followed by a series of meetings of a working group of potential partners including among others key industry figures, Northern Arizona University, the City of Flagstaff, the Chair of BPAC, and Flagstaff Cultural Partners.

After some discussion by the working group, a strategic plan was implemented that called for the development of a program for such a facility, a determination of community interest and potential partnerships, and the preparation of a business plan that would not require long-term financial support by the City Flagstaff. There was some discussion of a physical plant but the group felt that the program development needs and the rest of the feasibility explorations would be necessary in order to truly understand the needs for a physical plant. The group also felt that a point person was needed to shepherd the effort responsibly. Having reached this conclusion, Flagstaff Cultural Partners, working with the City of Flagstaff, applied for an Our Town Grant from the National Endowment for the Arts to fund the feasibility study and a project leader.

In July of 2012 the grant was awarded and after a formal hiring process Laura Kelly was hired from six applicants to lead this effort. Since that time Laura has developed the working group into a steering committee, met with key industry figures and potential partners, interviewed numerous members of the arts community, and worked with ECoNA for technical assistance on the business planning side. This presentation and attached report will expand upon the progress with greater detail.

Attachments: FCP Written Update

18 March 2013/Laura Kelly/Project Director, Flagstaff Cultural Partners

Workforce Development for the Creative Industries Flagstaff Arts Incubator

"The greatest danger for most of us is not that our aim is too high and we miss it, but it is that we aim too low, and we reach it." ~ Michelangelo

The Premise

Art creates jobs, attracts visitors and injects fizz into our lives and our city.

Art is also a business that is essential to the health of our community, as quantified in 2012 by an economic impact study conducted by Americans for the Arts and endorsed locally by the Flagstaff Chamber of Commerce, Flagstaff Cultural Partners, Coconino County, the city of Flagstaff and Northern Arizona University's College of Arts & Letters. Of the enthusiastic statistics generated by the comprehensive study, two resonate roundly: In 2011 the art and science industries generated \$7.6 million in local and state tax revenues. And in 2011 the art and science industries supported 2,500 local jobs.

Many artists choose to live and work in our region, drawn to the proximity and inspiration of the natural world, and the humane scale and tenor of everyday life. The same qualities that make Flagstaff a compelling place to live also make it a difficult place for artists to make a living. They encounter isolation, a dearth of professional development opportunities, few resources to help with the transition from university art school training to the professional world and limited markets for work.

Artists, inarguably critical to the flavor of Flagstaff, struggle to make living wages. Arts organizations struggle to keep their doors open. Additionally, while many local artists make cutting edge work, the work that is most visible is tourist-driven and traditional in nature. We see the need for developing artists, arts organizations and by extension art audiences to allow them to feel more comfortable with a wider variety of aesthetics.

Art Box is a plan for workforce development in the creative industries. It is the working title for a series of initiatives that include offering immediate services and support for artists and organizations, and eventually securing artmaking and exhibition/gathering spaces that will be located in Flagstaff but have impact throughout Coconino County and draw visitors from around the state and the region.

The aim of Art Box? To enhance civic vitality, strengthen cultural depth and create economic impact by broadening the entrepreneurial skills of artists and arts organizations through training, mentoring, empowering and placemaking. Art Box will assist in creating, redefining, and sustaining creative careers in the new economy.

As with Northern Arizona Center for Emerging Technologies (NACET), the Flagstaff business incubator, economic development is the principle purpose of Art Box. Art Box will develop individuals and organizations toward more robust marketplace viability through business training. This realm of service providing can be fluid, portable and immediate, and its genesis does not depend on the acquisition of dedicated space. We foresee the immediate creation of entrepreneurial programs for artists as enhancing community buy-in and strengthening fundraising possibilities with concrete outcomes and success stories for eventual space acquisition and program expansion. Growth must be something we respond to rather than something we demand.

Phase 1: Art Toolbox Institute

Art Toolbox Institute is a nine-month, degree-granting, skills-based institute that recognizes artists as entrepreneurs and offers them the skills to help them succeed in the marketplace.

Creatives, like entrepreneurs, are innovators who work with risk and experiment and expression, making work unlike previous artists or designers, pushing boundaries, breaking ground with products, services, trends or fashions. Creatives require stimulation and nurturing. While their training often centers on their art form, what remains undernourished is their training in the skills needed to present their work to the public.

The Art Toolbox Institute is being created to develop the business savvy and skills of emerging and established artists working in any medium. It is a collaborative project, drawing on the resources and expertise of the City of Flagstaff, Flagstaff Cultural Partners, NACET, Coconino County Community Services, the Small Business Development Center of Coconino Community College and Northern Arizona University.

Art Toolbox Institute will be an application-admission program that facilitates the creation of art and the abilities of artists to market and sell their art by offering vital support to artists. The support will take three forms: 1) instruction (marketing, public speaking, grant writing, deploying social media, etc.), 2) reduced-rate professional services (health insurance, graphic design, printing, etc.), and 3) mentoring, community building and collaboration.

Art Toolbox Institute will be open to 24 artists, be partially funded by tuition fees (\$750 is the current working idea of the fees) and be presented in a culture where participants can discover and develop and exploit their own natural intelligences. The creation of an active and participatory cohort is critical to the success of the institute, as mentoring, peer review and collaborative projects are integral ingredients of the program. By establishing a group that is undergoing a process together, Art Toolbox aims to create a culture that values inter-learning, irreverence, the lively, the dynamic, the surprising,

the playful. And a culture that values, above all, curiosity and the ability to make connections and cognitive leaps.

SAMPLE CURRICULUM

- **YOU ARE YOUR BRAND:** The moment you enter a room, people form an opinion about you. Only a fraction of your message is conveyed through the words you choose. What you wear, the energy and enthusiasm you convey, and how you engage others all affect how people respond to you. Corporations work exhaustively to calibrate and convey their brand; artists must do the same. Artists must know exactly who they are and what they want, and carefully sculpt the messages they send. You Are Your Brand is a series of exercises designed to help you discover what you project and how others perceive you.
- **VERBAL COMMUNICATION:** How to communicate what you do and why you do it in clear, effective terms. Deploying the power of story. Understanding the principles of public speaking. The Verbal Communication Workshop employs lectures, small group activities and hands-on exercises to improve interpersonal communications. Topics include how to be authentic and comfortable talking about your work in social situations like gallery openings and how to successfully pitch your work or ask for financial support from presenting venues and funders. This workshop helps participants identify their goals and objectives in order to more effectively and accurately represent themselves and their work.
- **PHOTOGRAPHY ESSENTIALS:** Photography is often the introductory tool for introducing artists' work to gallery owners, grantors, and competition judges. Learn the fundamentals of taking photographs that convey professionalism.
- **PROMOTING YOUR WORK:** In these workshops participants will hear from artists who have used techniques to increase awareness and gain wider media coverage. Participants will also hear from experts and learn about the necessary tools for promotion and how to communicate effectively with a wide variety of audiences. Potential topics include targeted marketing—an interactive, group brainstorming session to identify and reach new audiences; and Research, Resources, and Relationships, using the three R's to help artists think creatively and expansively about the available human and financial resources that can help promote your work.
- **WORKING THE WEB:** Whether an artist is technologically savvy or a novice, this workshop is designed to help all artists expand their online presence and harness the power of emerging technologies. Participants explore how online resources can expand audience size, improve marketing and communications, and optimize personal organization. Participants develop a strategy for using online resources to attain specific goals. Topics include best practices for social networking and media sharing, e-commerce, building and maintaining a website, promotional websites, blogs and increasing efficiency. The workshop will also help artists expand their thinking to quickly recognize and respond to the possibilities of new technologies as they develop.

- **STRATEGIC PLANNING:** Defining and crafting a plan related to your individual career path. Creating your roadmap with defined goals, aims and measures of success. Participants learn key business and management skills and hear first-hand from artists how these tools can be used to break the crisis management cycle and achieve success—as they define it. Topics include business management, goal setting, communications and negotiation. In addition to lecture presentations, participants participate in interactive exercises and have the opportunity to meet with leaders in small working groups.
- **FUNDING YOUR WORK:** This workshop combines nuts-and-bolts strategies with a broad-based empowering approach for integrating fundraising into your creative practice. Appropriate for artists of all disciplines, this workshop will help evaluate a wide variety of fundraising opportunities and explain how to tap these valuable resources. Topics include applying for grants and residencies; working with a fiscal sponsor; forming an advisory board; preparing the right materials for the right donors; making the tools of organizational fundraising efforts work for individual artists; partnerships with venues, donors and funders; and determining and communicating the real cost of your work.
- **FUNDRAISING FROM INDIVIDUALS:** This workshop helps artists of all disciplines understand how to tap this valuable resource. The workshop includes information on how to organize fundraising events, e-mail campaigns, cultivation and individual appeals.
- **PERFORMANCE DOCUMENTATION:** This workshop provides dance, theater and performance artists the opportunity to improve the documentation and preservation of their movement and time-based work. The day includes hands-on experience with video editing, camera placement, and cinematography, as well as discussions of best practices for different types of documentation, how to make a strategic plan and how to budget for the documentation process. Artists will learn techniques they can use themselves, or discuss with editors and videographers to create high-quality performance documentation for use in personal archives, work samples, marketing campaigns and beyond.
- **WRITING SKILLS:** Artists need to be able to communicate their message, their story, and their ideas in writing. This workshop will focus on the fundamentals of clear and effective business writing and storytelling. Additional topics include writing for grants and crafting a mission statement with snap. Professional writers and editors will evaluate work.
- **FINANCIAL LITERACY:** This workshop provides a crash course in bookkeeping, budgeting, tax preparation, and financial management and aims to raise participants' level of financial literacy regardless of their prior experience. The workshop is appropriate for individual artists working in any genre and at any point in their careers. Topics will include individual taxes for artists, segregating personal and artistic finances, budgeting for your life and your artistic projects (how to translate artistic narrative into line-item budgets for funders), tips for tracking deductible expenses (what can artists write off?), how artists can get

out of debt and start saving, a self-employment primer (answering the question “what’s my time worth?”), and whether and when to pursue forming a non-profit incorporation or other entity.

###

Memorandum

5.

CITY OF FLAGSTAFF

To: The Honorable Mayor and Council
From: Michael Scheu, Building Official
Date: 03/19/2013
Meeting Date: 03/26/2013



TITLE:

Introduction of proposed adoption of the 2012 International Codes and Title 4, 2013 Building Code Amendments.

DESIRED OUTCOME:

Staff is seeking any preliminary Council comments and process direction on the proposed adoption of the 2012 Building Codes. We will be preparing for the formal review and hearings in May & June prior to seeking adoption of the new codes.

INFORMATION:

BACKGROUND: Currently, Flagstaff is enforcing the 2006 International Building Codes, International Building Code (IBC), International Residential Code (IRC), International Plumbing Code (IPC), International Mechanical Code (IMC), International Existing Building Code (IEBC), International Energy Conservation Code (IECC) and the 2011 National Electrical Code (NEC).

Beginning in February of 2012, public forums were held at 101 W. Cherry about every Wednesday from 4:00 PM to 5:30 PM. Invitations went to Northern Arizona Builders Association, Northern Arizona Green Buildings Council, registered Architects and Engineers, Friends of Flagstaff (Fcubed), and others who expressed interest and provided email addresses. (The forums were not held during periods of the summer and fall due to an increase in building plan submittals and work load).

The Building codes are published every three years. In July of 2011, the Council approved going to a six year code adoption cycle, bypassing the 2009 Codes and waiting to adopt the 2012 International Codes.

In September of 2012, the ISO (Insurance Service Organization) conducted a review of the Building Code Effectiveness in the plan review process and building inspection process. Due to not having adopted the most current codes (the 2009 Codes), the City's classification tentatively went from a Class 2 to a Class 9 for 1&2 family residential and commercial and industrial property. The City has until October 2, 2013 to have completed the plan for adopting the 2012 International Building Codes to restore the rating. If we were to not adopt the 2012 Codes, residential home insurance for example would be raised approximately 45% for homeowners. For an 1800 sq. ft. home valued at \$300,000, the insurance cost would go from \$660 per annum to \$960 per annum. Flood insurance will also be affected by this adoption.

CODE CHANGES:

Due to bypassing the 2009 International codes, there are many changes that will affect the building industry. In the International Building and Residential Codes, changes were made that enhance the life safety of structures through better design. Some of the major changes are the design requirements for

wind to follow American Society of Civil Engineers 7, new requirements for braced wall lines in both the IBC & IRC, means of egress capacity determinations for sprinklered buildings, whole house ventilation system requirements, live/work unit requirements, mixed occupancy area calculation changes, and window opening requirements when a window sill is greater than 72" above grade. The 2012 International Energy Code will increase the energy efficiency of residential and commercial buildings 30% from the current 2006 Energy Code, (energy efficiency is generally increased about 15% each code cycle). Some of the major changes are for prescriptive installations: increase the attic R-value from R-38 to 49 (which would require raised heel trusses), exterior wall insulation increased to R-20 or 13+5, (R-13 wall cavity insulation plus an R-5 sheathing insulation), air barrier & insulation installation requirements and required building envelope air leakage testing (blower door test), heating ducts are to be tested, whole house mechanical ventilation system, 75% of the permanently installed lighting fixtures shall contain high efficacy lamps.

SELF-CERTIFICATION:

Separately, a test self-certification program for Arizona Registered Architects and Engineers will have an implementation date of Oct. 1, 2013. The program will be for Tenant Improvement projects to start with. It is hoped that this test program will show the interest & ability of the building industry to move in this direction. A training program and business process will need to be designed for each building code and the City Building Code Amendments which will need to be taught to the Arizona Registrants. An audit system will also need to be designed, and a hold-harmless letter will need to be written and approved by the City Attorney and Risk Management. Basically, this is an "at-risk" program. A summary of the recent program used in Phoenix is attached.

Attachments: Self-Certification Specifications

Official Web Site of the City of Phoenix

85F A Few Clouds | 10:42 AM | July 16, 2012

Watch PHX11 Live or on demand

Self-Certification Professional Requirements

[Home](#) > [Planning and Development Department](#) > [Topics A to Z](#) > Self-Certification Professional Requirements

PROFESSIONAL QUALIFICATIONS

- Architect or structural engineer registered in Arizona for at least three years to certify building plans
- Landscape architect registered in Arizona for at least three years to certify landscape and parking lot plans
- Civil engineer registered in Arizona for at least three years to certify grading and drainage and parking lot plans
- Architects certified for building plans may also attend training to certify parking lot plans
- Successful completion of self-certification training from the Planning & Development Department

EXCEPTION APPLICATION FOR OTHER PROFESSIONALS

Registered structural engineers are eligible to participate in the program. Interested engineers other than structural must have been registered in Arizona for at least three years and must demonstrate they have operated as a "project prime professional," as defined by the Arizona Board of Technical Registration. To be considered, non-structural engineers must complete the [Application for Enrollment into Training Class Form](#) (PDF). ***This application is not required for professionals who meet the qualifications listed in the "Professional Qualifications" section above.***

SELF-CERTIFICATION TRAINING

Architects and engineers who qualify for the Self-Certification Program are required to attend training from the Planning & Development Department. Training for building plan certification is a two-day session. Landscape and civil training are four-hour training sessions. The intent of the training is to provide participants with an overview of the [Phoenix Building Construction Code](#), city of Phoenix amendments, and relevant ordinances and standards.

[Register online](#) to reserve your space in upcoming training classes:

- Building and Parking Lot Plans - currently registering for September 12-13, 2012
- Landscape and Parking Lot Plans - currently registering for September 18, 2012
- Grading and Drainage/Stormwater and Parking Lot Plans - currently registering for September 21, 2012

Below are links to the most recent versions of presentations provided to attendees of the self-certification classes. Note: not all presentations have accompanying handouts.

- [Accessibility](#) and [handouts](#)
- [Architectural \(PBCC\)](#)
- [Audit and Appeal Procedures](#) and [handouts](#)
- [Electrical](#) and [handouts](#)
- [2006 Elevators](#)

- [Energy Code](#)
- [2006 Existing Building Code \(IEBC\)](#)
- [Field Changes, Revisions, and Procedures](#)
- [Grading & Drainage / Storm Water](#)
- [Landscape](#)
- [Mechanical](#) and [handouts](#)
- [Parking Lots](#)
- [Plumbing](#) and [handouts](#)
- [Single Family Residential](#) and [handouts](#)
- [Site and Civil Approvals Before Log-In](#) and [handouts](#)
- [Structural, Commercial](#)

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Memorandum

6.

CITY OF FLAGSTAFF

To: The Honorable Mayor and Council
From: Rick Compau, Purchasing Director
Date: 03/18/2013
Meeting Date: 03/26/2013



TITLE:

Presentation on the City of Flagstaff's Procurement Code Manual.

DESIRED OUTCOME:

For review and provide staff direction.

INFORMATION:

The purpose for developing this Procurement Code Manual is to provide comprehensive fundamental principles, practices and guidelines for how the City Procurement process works. The objectives of this Procurement Code Manual is to outline various procedures in order to provide and preserve a high standard of integrity and transparency with the City's procurement process and demonstrate leadership in the stewardship of taxpayer dollars involving the procurement of materials, services and construction.

The City intends to present the Procurement Code Manual in two (2) sessions:

- 1st Session-- March 26, 2013, Review of Articles 1 through 13
- 2nd Session-- April 9, 2013 (tentatively scheduled), Review of Articles 14 through 32

Attachments: Procurement Code Manual



PROCUREMENT CODE MANUAL

***CITY OF FLAGSTAFF
PURCHASING SECTION***

***CITY OF FLAGSTAFF
211 W. ASPEN AVE.
FLAGSTAFF, ARIZONA 86001***

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ARTICLE 1 **PURPOSE; DIRECTOR AUTHORITY AND DUTIES; DELEGATION (A.R.S. 41-2511 and 41-2512)**

A. Purpose.

The City operates as a centralized Purchasing Section under the supervision of a Purchasing Director ("Director"), which shall have for its purpose the purchase of materials, services, and construction for the City and shall:

1. Establish efficient procurement, inventory and disposition of surplus personal property procedures;
2. Purchase all materials, services, and construction for the City at the lowest possible cost commensurate with quality needed;
3. Exercise positive financial control over purchases;
4. Clearly define authority for the purchasing function;
5. Assure the quality of purchases; and
6. Provide procurement assistance to all City Departments and Divisions;

B. Director Authority and Duties.

The Director shall:

1. Except as otherwise provided in this Procurement Code Manual, the Director shall establish rules consistent with this Procurement Code Manual, governing the procurement of all materials, services and construction to be procured by the City. Rules and procedures for the procurement of construction and professional design services, shall also be consistent with Arizona Revised Statutes, (A.R.S.) Title 34, Public Buildings and Improvements.
2. Except as otherwise provided in this Procurement Code Manual, procure all materials, services and construction required by any Department or Division of the City in accordance with the provisions of this Procurement Code Manual and such procurement rules as may be established pursuant to this Procurement Code Manual.
3. Establish rules and procedures for the management of inventories of material and surplus personal property belonging to the City.
4. Sell, trade or otherwise dispose of surplus personal property belonging to the City in compliance with requirements of the City Charter.
5. Establish and maintain programs for the inspection, testing and acceptance of materials, services and construction.
6. Discourage collusive and restrictive bidding and endeavor to obtain as fair and open competition as possible on all purchases.
7. Prepare and recommend to the City Council revisions and amendments to this Procurement Code Manual.

8. Keep informed of current developments in the field of purchasing, prices, market conditions and new products.
 9. Prescribe and maintain such procedures as necessary for the operation of the centralized procurement function.
 10. Maintain a Bidder's list, material, service and construction references and all records needed for the efficient operations of the centralized purchasing function.
- C. Delegation of Authority.

The Director hereby delegates the powers and duties of the Director authorized by this Procurement Code Manual to the Purchasing Section Staff.

ARTICLE 2 **APPLICABILITY (A.R.S. 41-2501)**

- A. The provisions of this Procurement Code Manual apply only to procurements initiated after its effective date. The City Attorney's office, in consultation with the Director, shall interpret the provisions the provisions of this code in the event of any ambiguity.
- B. The provisions of this Procurement Code Manual are applicable to every purchase of materials, services and construction with public monies, including federal grants, and federal assistance monies except as otherwise provided in this section. Nothing in this Procurement Code Manual shall supersede the **Flagstaff City Charter**, or the terms and conditions of any grant, gift or bequest accepted by the City Council. If the procurement involves the expenditure of grants, federal assistance or contract monies or is subject to state law, the director shall comply with federal and state law and authorized regulations which are mandatorily applicable and which may not be reflected in this Procurement Code Manual.
- C. Contracts for construction, as defined in Article 12, and contracts for the services of architects or engineers to be used in connection with construction contracts shall be governed by the provisions of A.R.S. Title 34, Public Buildings and Improvements. Procedures and other provisions of this Procurement Code Manual, and rules established pursuant thereto, shall apply to such contracts only to the extent such Procurement Code Manual provisions, procedures and rules are not inconsistent with A.R.S. Title 34, Public Buildings and Improvements.
- D. Professional services, such as appraisals, title searches/reports and policies, used in support of Real Property Transactions, are subject to all applicable Sections of this Procurement Code Manual.
- E. The following contracts are not subject to this Procurement Code Manual:
 1. Intergovernmental agreements;
 2. Agreements negotiated by the Risk Management Manager or the City Attorney for the settlement of litigation or threatened litigation; and
 3. Easement Agreements or Right of Entry Agreements.

ARTICLE 3 **SUPPLEMENTARY GENERAL PRINCIPLES OF LAW (City Charter)**

Nothing in this Procurement Code Manual shall supersede Article VIII, "Contracts", Sections 1 through 10, of the Flagstaff City Charter.

ARTICLE 4 **DEFINITIONS (A.R.S. 41-2503)**

The words defined in this section shall have the meanings set forth below whenever they appear in this Procurement Code Manual, unless the context in which they are used clearly requires a different meaning or a different definition is prescribed for a particular provision.

Addendum means any formal notification of any revision to pertinent information contained in either an informal or formal solicitation.

Advantageous means in the best interest of the City.

Affiliate means any person whose governing instruments require it to be bound by the decision of another person or whose governing board includes enough voting representatives of the other person to cause or prevent action, whether or not the power is exercised. It may also include persons doing business under a variety of names, or where there is a parent-subsidary relationship between persons.

Alternative Project Delivery Methods means construction related projects that utilize Construction-Manager-At-Risk, Design-Build or Job-Order-Contracting, instead of the traditional Design-Bid-Build method of construction project delivery.

Authorized Purchase means any purchase that has been requisitioned and that has gone through the appropriate approval processes.

Best and Final Offer means a formal process, conducted by the Purchasing Agent as the last phase of a Request for Proposals process after formal discussions and/or Proposer presentations are conducted.

Best Interests of the City means advantageous to the City.

Brand Name or Approved Alternate Specification means a specification that uses one (1) or more manufacturers' names or catalogue numbers to describe the standard of quality, performance, and other characteristics needed to meet City requirements, and that provides for the submission of equivalent products.

Brand Name Specification means a specification limited to one (1) or more items by manufacturers name or catalogue numbers.

Business means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private legal entity.

Capital Improvements means construction related projects involving the process of building, altering, repairing, improving or demolishing any public structure or building or other public improvements of any kind to any public real property.

Change Order means a written order, approved by the City's Change Order Committee and signed by an authorized agent of the City, which directs the contractor or the City, to make changes that are authorized by the change order clause of the original contract.

Construction means the process of building, altering, repairing, improving or demolishing any public structure or building, or other public improvements of any kind to any public real property. Construction does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings or real property.

Construction Manager means a person who provides management and/or technical services required to implement a capital project pursuant to the project guidelines.

Construction-Manager-At-Risk (CMAR) means a project delivery method in which:

- (A) There is a separate contract for design services and a separate contract for construction services.
- (B) The contract for construction services may be entered into at the same time as the contract for design or at a later time.
- (C) Design and construction of the project may be in sequential phases or concurrent phases.
- (D) Finance services, maintenance services, operations services, preconstruction services and other related services may be included.

Contract means all types of City agreements, regardless of what they may be called, for the procurement of materials, services, or construction or the disposition of personal property.

Contract Modification means any written alteration in the terms and conditions of any contract accomplished by mutual action of the parties to the contract.

Contractor means any person who has a contract with the City.

Cost Data means information concerning the actual or estimated cost of labor, material, overhead, and other cost elements that have been actually incurred or that are expected to be incurred by the contractor in performing the contract.

Data means documented information, regardless of form or characteristic.

Days mean calendar days unless otherwise specified.

Debarment means an action taken by the director, under the provisions of this Procurement Code Manual, to prohibit a person from participating in City procurements for three (3) years.

Department/Division means an organizational work unit as defined by the City of Flagstaff Organization Chart.

Designee means a duly authorized representative of a person holding a superior position.

Design-Build (DB) means a project delivery method in which:

- (A) There is a single contract for design services and construction services.
- (B) Design and construction of the project may be in sequential phases or concurrent phases.
- (C) Finance services, maintenance services, operations services, preconstruction services and other related services may be included.

Design-Bid-Build (DBB) means a project delivery method in which:

- (A) There is a sequential award of two separate contracts.
- (B) The first contract is for design services.
- (C) The second contract is for construction.

- (D) Design and construction of the project are in sequential phases.
- (E) Finance services, maintenance services and operations services are not included.

Director means the Director of the Purchasing Section or designee.

Employee means an individual drawing a salary through the payroll process of the City whether elected or not.

End User means any City employee who will actually be using the material or service being requested.

Field Order means a paperless purchase order number given out by the Purchasing Section for Immediate, necessary, purchases, under one thousand dollars (\$1,000), by City staff who are in need of various materials needed to repair fixtures or equipment.

Interested Party means an actual or prospective Bidder or Proposer whose economic interest may be affected substantially and directly by the issuance of a solicitation, the award of a contract or by the failure to award a contract. Whether an actual or prospective Bidder or Proposer has an economic interest will depend upon the circumstances of each case.

Invitation for Bids (IFB) means all documents, whether attached or incorporated by reference, which are used for soliciting formal bids in accordance with the procedures prescribed in this Procurement Code Manuals.

Invitation To Submit Technical Offers means all documents, whether attached or incorporated by reference, which are used for soliciting unpriced technical offers to assist in the evaluation of market place technology to determine what specific technology would be considered to be the most advantageous to the City to be specified in a subsequent competitive solicitation.

Job-Order-Contracting (JOC) means a project delivery method in which:

- (A) The contract is a requirements contract for indefinite quantities of construction.
- (B) The construction to be performed is specified in job orders issued during the contract.
- (C) Finance services, maintenance services, operations services, preconstruction services, design services related services may be included.

Life Cycle Cost Assessment (LCCA) means the comprehensive accounting of the total cost of ownership, including initial costs, energy, and operational costs, longevity and efficacy of service and disposal costs.

Local Vendor means any individual or company, licensed to conduct business to produce a product or provide a service, and has a business location located within the City limits of Flagstaff.

Materials means all personal property, including equipment, supplies, printing and insurance.

May shall be construed as being permissive.

Multi-Step Sealed Bidding means a two-phase process consisting of a technical first phase composed of one (1) or more steps in which Bidders submit un-priced technical offers to be evaluated by the City and a second phase in which those Bidders whose technical offers are determined to be acceptable during the first phase have their priced bid considered.

Person shall include the state, the county, a political subdivision of the state, other governmental entity, a corporation, firm, partnership, limited liability company, association, organization, and any other group acting as a unit, as well as an individual. It includes a trustee, receiver or similar representative.

Price Data means information concerning prices, including profit, for materials, services or construction items substantially similar to those being procured under a contract or subcontract. In this definition, "prices" refers to offered or proposed selling prices, historical selling prices, or current selling prices of the items being purchased.

Private Development means commercial or residential development by the private sector.

Procurement means buying, purchasing, renting, leasing or otherwise acquiring any materials, services and construction. Procurement also includes all functions that pertain to the acquisition of any materials, services or construction including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

Procurement Code Manual means this Procurement Code Manual, outlining various procurement functions, as approved and adopted by the Flagstaff City Council.

Professional Services means those services requiring special knowledge, education or skill and where the qualifications of persons rendering the services are of primary importance. shall include, but not be limited to, appraisers, attorneys, architects, engineers, surveyors, accountants, psychologists, physicians, and other health professionals.

Project Manager means a person who provides management and/or technical services required to implement a capital project pursuant to the project guidelines.

Proprietary Specification means a specification that describes a material made and marketed by a person having the exclusive right to manufacture and sell such material and excludes other material with similar quality, performance or functional characteristics from being responsive to the solicitation.

Purchasing Agent means the Director, Purchasing Manager, Senior Procurement Specialist, Buyers, or any member of the Purchasing Staff authorized by the Director to commit the City to a purchase and manage, supervise, and monitor the execution of the terms and conditions of a contract.

Purchase Description means the words used in a solicitation to describe the materials, services or construction for purchase and includes specifications attached to, or made a part of, the solicitation.

Purchase Requisition means a formal request for a material, service or construction and electronically submitted through the City's financial software system and processed into a formal purchase order.

Qualified Products List means an approved list of materials, services or construction items described by model or catalogue numbers, that, prior to competitive solicitation, the City has determined will meet the applicable specification requirements.

Recycled Content Product means a product containing a minimum of thirty-five percent (35%) recycled materials except in those cases where the US EPA has adopted procurement guidelines under the Resource Conservation Recovery Act of 1976.

Recyclable Product means a product or package made from a material for which curbside or drop-off collection systems are in place for a majority of City residents or businesses; to divert

from City solid waste for use as a raw material in the manufacture of another product or the reuse of the same product.

Request for Information means all documents, whether attached or incorporated by reference, which are used for soliciting unpriced information regarding a specific product or service for evaluation to determine what specifications or scope of work would be considered to be the most advantageous to the City to be specified in a subsequent competitive solicitation.

Request for Proposals (RFP) means all documents, whether attached or incorporated by reference, which are used for soliciting formal proposals in accordance with procedures prescribed in this Procurement Code Manual.

Request for Statements of Qualifications (RSOQ) means all documents, whether attached or incorporated by reference, which are used for soliciting formal statements of qualifications in accordance with procedures prescribed in this Procurement Code Manual.

Requisitioner means any staff member, working for the City of Flagstaff, who has a request for either a material, service or construction and electronically submits a purchase requisition through the City's financial software system.

Responsible Bidder or Proposer means a person who has the capability to perform the contract requirements and the integrity and reliability which will assure good faith performance.

Responsive Bidder or Proposer means a person who submits a bid which conforms in all material respects to the invitation for bids or request for proposals.

Reusable Product A product that can be used several times for an intended end use before being discarded.

Services means the furnishing of labor, time or effort by an independent contractor which does not involve the delivery of a specific end product other than required reports and performance.

Shall The word "shall" shall be construed as being mandatory.

Solicitation means an invitation for bids, a request for technical offers, a request for proposals, a request for quotations, or any other invitation or request by which the City invites a person to participate in a procurement.

Specification means any description of the physical or functional characteristics, or of the nature of a material, service or construction item. Specification may include a description of any requirement for inspecting, testing, or preparing a material, service or construction item for delivery.

Surplus Property means any supplies, materials and equipment owned by the City, that no longer has any use to the City. This includes obsolete materials, scrap materials, and supplies, materials and equipment that have completed their useful life cycle.

Suspension means an action taken by the director temporarily disqualifying a person from participating in City procurements for six (6) months.

Sustainably Preferable Product means a product that has a reduced negative effect or increased positive effect on human health and the environment when compared with competing products that serve the same purpose. This term includes, but is not limited to, recyclable products, recycled products and reusable products.

Sustainable Product means a product that achieves performance objectives while respecting the City's values and balancing environmental stewardship, fiscal responsibility, social equity, and community enhancement.

Sustainable Purchasing means purchasing materials, products, and labor in a manner that reflects fiscal responsibility, social equity, environmental stewardship and community enhancement.

Task Order means a written form used in a process associated with On-Call contracts in which a task order form is submitted to initiate professional Architectural, Engineering, Surveying, Landscape Architecture and Geotechnical services from those firms who have been awarded an On-Call contract.

Technical Offer means unpriced written information from a prospective contractor stating the manner in which the prospective contractor intends to perform certain work, its qualifications, and its terms and conditions.

Quotation means a verbal or written commitment to supply materials, services or construction at a stated price and terms.

Request for Quotation (RFQ) means all documents, whether attached or incorporated by reference, which are used for soliciting quotations in accordance with procedures prescribed in the informal procurement process.

ARTICLE 5 **UNAUTHORIZED PURCHASE** (*Discretionary, except B, #5, per City Charter*)

- A. Any purchase made that does not follow any of the applicable processes under the provisions of this Article, is considered an unauthorized purchase.
- B. All purchases will be made in accordance with this Procurement Code Manual. The following steps shall be included in the procurement process:
 - 1. Electronic submission of a properly completed purchase requisition;
 - 2. Verification by the requestor that funds are available;
 - 3. The purchase requisition has gone through all other established approval processes;
 - 4. All requisitions for materials, services and construction that are below fifty thousand dollars (\$50,000) shall be subject to an informal competitive solicitation process under the provisions of Article 7(A); except as provided in Article 2 "Applicability", Article 18 "Sole Source", Article 19 "Emergency Purchase" and Article 20, "Procurements From Solicitations By Other Governmental Entities";
 - 5. All requisitions for materials, services and construction at fifty thousand dollars (\$50,000) and higher, shall be subject to a formal competitive solicitation process under the provisions of Article 7(B) and any contract award shall be approved by City Council; except as provided in Article 2 "Applicability", Article 18 "Sole Source", Article 19 "Emergency Purchase"; and Article 20, "Procurements From Solicitations By Other Governmental Agencies"; and
 - 6. All purchases for materials, services and construction shall have a properly executed purchase order and a contract, if a contract is deemed necessary, given the particular purchase, to be processed by the Purchasing Section.

- C. An employee making a purchase not in conformance with this Procurement Code Manual, adopted rules and established procedures may be subject to:
1. Verbal consultation with individual;
 2. Written reprimand with individual;
 3. Revocation of purchasing rights; or
 4. Other corrective action, as deemed appropriate
- D. Any unauthorized purchase shall be reported to the appropriate Division or Department Head.

ARTICLE 6 **DETERMINATIONS (A.R.S. 41-2502)**

Written determinations, if required by this Procurement Code Manual, shall be retained in the appropriate official record file of the Purchasing Section.

- A. Determinations shall fully specify reasons.
- B. The Director may specify the format for Determinations.

ARTICLE 7 **INFORMAL AND FORMAL PROCUREMENT LIMITS; QUOTE FILE REQUIREMENTS (Discretionary, except B, per City Charter)**

- A. ***Informal Procurement Limit.*** Procurement of a material, service or construction, less than fifty thousand dollars (\$50,000.00), on an annual fiscal year basis, shall be made by informal procedures in accordance with the provisions of Section 7.1 of this Procurement Code Manual and any applicable federal and state laws, rules and regulations except as provided in Article 2, "Applicability"; Article 18, "Sole Source"; Article 19, "Emergency Purchases"; Article 20, "Procurements From Solicitations By Other Governmental Entities". Procurements less than **fifty thousand dollars (\$50,000.00)** may be made utilizing a formal procurement process if deemed by the Director to be in the best interest of the City. Procurements less than fifty thousand dollars (\$50,000.00), are not required to be approved and awarded by City Council.
- B. ***Formal Procurement Limit.*** Procurement of a material, service or construction, of fifty thousand dollars (\$50,000.00) and higher on an annual fiscal year basis, shall be made by formal procedures in accordance with the City Charter and provisions of Article 9 of this Procurement Code Manual and any applicable federal and state laws, rules and regulations, except as provided in Article 2, "Applicability"; Article 18, "Sole Source"; Article 19, "Emergency Purchases". Procurements of fifty thousand dollars (\$50,000.00) and higher, are required to be approved and awarded by City Council.

Section 7.1 Informal Procurement Process

- A. Informal Procurement Process.

Any procurement, established in Article 7 (A) shall be made in accordance with established Procurement Code Manual procedures. Determination as to the use of informal or formal process shall be based on the cost of the item(s), including all taxes, fees, freight, installation and any other miscellaneous costs. The procurement shall be made with such competition as is outlined in B, C and D under this Section. Procurement requirements shall not be artificially divided or fragmented to circumvent the purchasing process under this section or the procedures required by Article 9, "Formal Procurement Process." This section shall not be construed to permit informal purchasing if there is a

City Charter or ordinance provision or a Federal or State law, regulation or rule to the contrary.

B. PURCHASES AT FIVE THOUSAND DOLLARS (\$5,000) OR LESS

For purchases at or less than **five thousand dollars (\$5,000)**, the Purchasing Agent or requesting Division or Section may direct select the vendor of choice for the purchase of any materials, services or construction requested. Reasonable good faith efforts shall be made to purchase from a Local Vendor.

C. PURCHASES AT FIVE THOUSAND AND ONE DOLLARS (\$5,001) UP TO FIFTEEN THOUSAND DOLLARS (\$15,000).

For purchases at **five thousand and one dollars (\$5,001)** and up to **fifteen thousand dollars (\$15,000)**, the Purchasing Agent or requesting Department shall solicit, verbal quotations for the purchase of materials, services or construction from, at minimum three (3) Bidders or Proposers, as determined to be the most advantageous under the immediate circumstances, except as provided in Article 2, "Applicability"; Article 18, "Sole Source"; Article 19, "Emergency Purchases"; Article 20, "Procurements From Solicitations By Other Governmental Entities". Reasonable good faith efforts shall be made to solicit quotes from Local Vendors. Verbal quotations obtained shall be documented in the procurement file.

D. PURCHASES AT FIFTEEN THOUSAND AND ONE DOLLARS (\$15,001) UP TO FORTY NINE THOUSAND NINE HUNDRED AND NINETY NINE DOLLARS (\$49,999).

For purchases at **fifteen thousand and one dollars (\$15,001)** and up to **forty nine thousand nine hundred and ninety nine dollars (\$49,999)**, shall be made in accordance with the following procedures:

1. A Purchasing Agent or requesting Department shall solicit at least three (3) Bidders or Proposers to submit written or faxed quotations or proposals on vendor's letterhead or by e-mail. Whenever practicable, the City's standard Request for Quotations (RFQ) or Request for Proposals (RFP) document shall be utilized in an effort to obtain written quotes. The City Attorney's Office shall review the RFQ and RFP prior to issuance if a contract is required for the procurement. Written quotations obtained shall be documented in the procurement file.
2. The Purchasing Agent may solicit quotations or Proposals from all vendors on the Bidder's list, but at minimum, shall solicit quotations or Proposals from Local Vendors on the Bidder's list and those Bidders or Proposers who have specifically requested an opportunity to submit a quotation or Proposal for the specific material, service or construction being requested at that time.
3. Award shall be made to the lowest responsive and responsible Bidder or highest scoring responsive and responsible Proposer submitting a responsive quotation or proposal. The amount of an applicable City Transaction Privilege or Use Tax shall not be a factor in determining the lowest Bidder if a competing Bidder, who is located outside the City, is not subject to an equal tax rate.
4. Whenever required by the Purchasing Agent, Bidders or Proposers shall submit quotes or proposals on the form issued with the Request for Quotation or Proposal, and the quotes shall be recorded and placed in the procurement file.

5. If only one responsive and responsible quotation or proposal is received, a statement shall be included in the procurement file explaining the basis for determining that the price and/or proposal is fair and reasonable. Time permitting, the Purchasing Agent may initiate a second solicitation to include the vendor who provided the only response initially.
6. Whenever practicable, Article 27, "Specification Guidelines" shall be used in the development of specifications for a Request for Quotation or Proposal.
7. Written quotations or proposals transmitted via facsimile machine or e-mail shall be permitted provided the quotation or proposal bears the signature of an authorized agent of the Bidder or Proposer submitting the quotation or proposal.
 - a. Quotations or proposals qualified in any manner are subject to rejection in whole or in part.
 - b. Alternate quotations or proposals shall be considered unless specifically stated otherwise in the Request for Quotation.
 - c. In the event of a discrepancy between the unit price and the extension price, the unit price shall govern.
 - d. In the event of tied quotes, the tie shall be broken according to the following, determined by the Director :
 1. Best and final Offer when determined by the Director to be applicable; or
 2. Drawing lots.
 - e. The City reserves the right to reject all quotations and seek new quotations with a new Request for Quotation.

These procedures do not supersede Article 2, "Applicability"; Article 18, "Sole Source"; Article 19, "Emergency Purchases"; Article 20, "Procurements From Solicitations By Other Governmental Entities".

Section 7.2 Quote File Requirements

- A. Verbal and written quote files shall be set up, within the Purchasing Section, to retain for record keeping purposes.
- B. Verbal quote files shall be set up by the Purchasing Section for each purchase over **five thousand dollars (\$5,000)** and up to **fifteen thousand dollars (\$15,000)**.
- C. Written quote files shall be set up by the Purchasing Section for each purchase over **fifteen thousand dollars (\$15,000)** and up to **forty nine thousand nine hundred and ninety nine dollars (\$49,999)**.

ARTICLE 8 AVAILABLE FUNDS (Discretionary)

Unencumbered funds to cover the entire purchase must be available in the appropriate account of the Operating Budget or other appropriate fund against which the purchase is to be charged prior to the commitment to purchase except multi-year contracts, in which case only funds for the first year of the contract need be appropriated.

Section 8.1 Available Funds Identification

- A. Solicitations pursuant to the formal bidding process may not be issued when using un-designated funds, contingency funds, or funds transferred between departments unless approved in writing by the Director of Management Services or appointed designee.
- B. Solicitations pursuant to Article 9, "Formal Procurement Process", shall not be issued prior to the appropriate approval for use of certain funds requiring budget transfers to or from capital and salary accounts.
- C. Solicitations pursuant to Article 9, "Formal Procurement Process", shall not be issued prior to the acceptance by the City Council of any grant funds, unless approved in writing by the Director of Management Services or appointed designee.
- D. Requestors are responsible for verifying available funds prior to submitting a purchase requisition and shall enter an electronic purchase requisition prior to requesting the issuance of a formal solicitation.

Section 8.2 Petty Cash (Reserved)

Section 8.3 Procurement Cards (Reserved)

ARTICLE 9 FORMAL PROCUREMENT PROCESS (City Charter)

Except as otherwise provided in this Procurement Code Manual, a procurement which exceeds the formal procurement limit specified in Article 7(B), "Formal Procurement Limit", shall be made in accordance with either Article 10, "Formal Procurement Process—Invitation for Bids", Article 11, "Formal Procurement Process—Request for Proposals" or Article 12, "Formal Procurement Process—Professional Design Services, Capital Improvements/Construction and Construction Services".

ARTICLE 10 FORMAL PROCUREMENT PROCESS--INVITATION FOR BIDS (A.R.S. 41-2533)

The formal procurement process for routine operating capital and capital improvements/construction projects, where the specifications and/or scope are definitively defined and the price is the determining factor in the award of a contract, the Purchasing Agent shall utilize the Invitation for Bids solicitation. The Invitation for Bids document shall include specifications and/or scope of work, and all contractual terms and conditions applicable to the procurement. The contract's inception, is with the Invitation for Bids document and the successful Bidder's bid submittal is adopted by reference.

Section 10.1 Invitation for Bids Determination

The Purchasing Agent shall determine if the Invitation for Bids process is applicable for the selection of the material, service or construction with an estimated expenditure exceeding the formal bid limit.

Section 10.2 Request for Issuance of an Invitation for Bids

- A. The requisitioner or "End-user" shall electronically submit a requisition referencing the cost estimate or approved budget for the requested material, service or construction.
- B. The Purchasing Agent shall obtain a bid number from the Solicitation Log Book in the Purchasing Section, provide the description of the purchase or project, the Purchasing

Agent assigned and determine the appropriate solicitation document and agreement to be used.

- C. The Requisitioner or “End-user” shall provide the specifications and/or scope of work to the Purchasing Section to be incorporated into the bid solicitation. Once the bid solicitation is complete, the Purchasing Agent shall forward to the City Attorney’s office for review before issuance of the solicitation.

Section 10.3 *Invitation for Bids*

An Invitation for Bids shall be issued when the evaluation and selection of a vendor for award is based on the lowest, responsive and responsible Bidder. The bid document shall include a purchase description and all contractual terms and conditions applicable to the procurement.

- A. An Invitation for Bids shall be issued at least **twenty one (21) days** before the closing date and time for receipt of bids, unless a shorter time is determined necessary in writing by the Purchasing Agent pursuant to a written request from the requesting Department. However, in accordance with the Flagstaff City Charter, public notice of the Invitation for Bids shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of the bids.
- B. Sealed Bids shall be opened publicly at the time and place designated in the Invitation for Bids. The amount of each bid, and such other relevant information as may be specified by rule, together with the name of each Bidder shall be recorded. The bids shall not be open for public inspection until after a contract is awarded, except to the extent the Bidder designates, and the Director concurs, that trade secrets or other proprietary data contained in the bid documents shall remain confidential in accordance with established rules.
- C. Bids shall be unconditionally accepted without alteration or correction, except as authorized in item (D) of this section. Bids shall be evaluated based on the requirements set forth in the Invitation for Bids as prescribed in the procurement rules. No criteria may be used in bid evaluation that are not set forth in the Invitation for Bids.
- D. Correction or withdrawal of erroneous bids before or after bid opening, based on bid mistakes, may be permitted in accordance with established rules. After bid opening, no corrections in bid prices or other provisions of bids prejudicial to the best interest of the City or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Director.
- E. The contract shall be awarded to the lowest responsive and responsible Bidder whose bid conforms in all material respects to the requirements and criteria set forth in the Invitation for Bids. The amount of any applicable City of Flagstaff Transaction Privilege or Use Tax is not a factor in determining the lowest Bidder to the extent a competing Bidder located outside the City is not subject to an equal tax rate.
- F. The multi-step sealed bidding method may be used if the Director determines, in writing, that it is not practicable to initially prepare a definitive purchase description which is suitable to permit an award based on competitive sealed bidding. An Invitation for Bids may be issued requesting the submission of technical offers to be followed by an Invitation for Bids soliciting priced offers limited to those Bidders whose offers are determined to be technically acceptable under the criteria set forth in the first solicitation.

Section 10.4 *Invitation for Bids, Format, Content, Public Inspection*

- A. In all competitive sealed bidding procurements, the Purchasing Section shall issue the standard Invitation for Bids document established and approved by the Purchasing Section and the City Attorney's office.
- B. The Invitation for Bids shall include the following:
 - 1. Instructions and information to Bidders concerning the bid submission requirements, including the time and date set for bid opening, the address of the office where bids are to be received, the period that the bid shall remain open, and any other special information;
 - 2. The purchase description, specifications, evaluation criteria, delivery or performance schedule, and inspection and acceptance requirements;
 - 3. The standard contract terms and conditions, including warranty and bonding or other security requirements, as applicable;
 - 4. If the Invitation for Bids incorporates documents by reference, the Invitation for Bids shall specify where such documents may be obtained;
 - 5. An Invitation for Bids may require the submission of bid samples, descriptive literature, technical data and may require inspection or testing of a product before award;
 - 6. Invitation for Bids shall require, from all Bidders, the submission of a non-collusion affidavit on a form included in the Invitation for Bids document. Failure of any Bidder to provide the non-collusion affidavit, as a part of his sealed bid, shall be grounds for disqualification of the bid; and
 - 7. Invitation for Bids shall be advertised, at least one (1) time, in the Arizona Daily Sun and posted to the City's website.
- C. Solicitations posted on the City's web site are available for downloading, as well as other means of obtaining a solicitation as follows:
 - 1. Interested Bidders may subscribe to receive an e-mail based notification of all current solicitation opportunities;
 - 2. Interested Bidders may pick up solicitations from the Purchasing Section during normal business hours; or
 - 3. Interested Bidders can email the Purchasing Section and request an electronic copy of the solicitation via email.

Section 10.5 *Pre-Bid Conference*

A pre-bid conference may be conducted within a reasonable time before bid opening to discuss the procurement requirements and solicit comments from prospective Bidders.

Section 10.6 *Addendum to Invitation for Bids*

- A. An Addendum to an Invitation for Bids shall be issued if necessary to:
 - 1. Make changes in the Invitation for Bids;

2. Correct defects or ambiguities;
 3. Furnish to other Bidders information given to one Bidder if the information will assist the other Bidders in submitting bids, or if the lack of the information will prejudice the other Bidders; or
 4. Inform Bidders of alternate materials accepted for bid.
- B. An addendum to an Invitation for Bids shall be so identified and shall be posted to the City's web site and sent by the Purchasing Section to all persons who provided an "Acknowledgement of Receipt" form when practicable, depending on the number of prospective Bidders who submitted this form.
- C. All addendums shall be issued at least seven (7) days prior to bid opening to allow prospective Bidders to consider them in preparing their bids, unless a shorter time is determined necessary, in writing, by the Purchasing Agent pursuant to a written request from the requesting Department. If the time and date set for bid opening do not permit sufficient time for bid preparation, the time and date for bid opening shall be extended in the addendum or, if necessary, by fax, e-mail, or telephone and then confirmed in the addendum.

Section 10.7 *Pre-Opening Modifications or Withdrawal of Bids*

- A. Bidders may modify or withdraw their bid at any time before bid opening if the modification or withdrawal request is received in writing before the time and date set for bid opening in a location designated in the Invitation for Bids for receipt of bids.
- B. All documents concerning a modification or withdrawal of a bid shall be retained in the appropriate procurement file.

Section 10.8 *Late Bids, Late Withdrawals, and Late Modifications*

- A. A bid, modification or withdrawal is late and shall not be accepted if it is received at the location designated in the Invitation for Bids for receipt of bids after the time and date referenced in the solicitation document.
- B. A late bid, late modification, or late withdrawal shall be rejected unless the bid, modification, or withdrawal is received before contract award at the location designated in the Invitation for Bids for receipt of bids and would have been timely received but for the action or inaction of the City.
- C. Bidders submitting bids, modifications or withdrawals that are rejected as late shall be so notified as soon as practicable.
- D. All documents concerning a late bid, late modification, or late withdrawal shall be retained in the appropriate procurement file.
- E. All late bids shall be returned, unopened, to the vendor.

Section 10.9 *Receipt, Opening, Recording of Bids, and Confidential Information*

- A. Each bid and modification shall be date and time-stamped upon receipt and stored unopened in a secure place, within the Purchasing Section, until the time and date set for bid opening.

- B. Bids and modifications shall be opened publicly and in the presence of one or more witnesses at the time, date, and location designated in the Invitation for Bids for bid opening. The name of each Bidder, the bid price, and other information deemed appropriate shall be read aloud and recorded on a bid abstract. The name of the required witness shall also be recorded. The bids shall not be open to public inspection until after a contract has been awarded, except to the extent the Bidder designates, and the Director concurs, that trade secrets or other proprietary data contained in their bid submittal shall remain confidential in accordance with established rules.
- C. All bids shall be irrevocable for, a minimum of, ninety (90) days or as deemed appropriate by the Director.
- D. After contract award, or at the Director's discretion, the bids shall be available for public inspection except to the extent that the withholding of information is permitted or required by law. If the Bidder designates a portion of the bid as confidential, disclosure of such portion shall be made in accordance with the following:
 - 1. If a Bidder believes that a bid contains information that should be withheld, a statement advising the Director of this fact shall accompany the submission, and the information shall be so identified wherever it appears. The information identified by the person as confidential shall not be disclosed until the Director makes a written determination;
 - 2. The Director shall review the statement and information and shall determine in writing whether the information shall be withheld; and
 - 3. If the Director makes the determination to disclose the information, the Director shall inform the Bidder in writing of such determination.

Section 10.10 *Mistakes in Bids*

- A. A Bidder may correct mistakes discovered before the time and date set for bid opening by withdrawing or correcting the bid as provided in Section 10.7, "Pre-opening Modification or Withdrawal of Bids".
- B. After bid opening, a bid mistake, not resulting from an error in judgment may not be corrected or withdrawn. Other bid mistakes may be corrected or withdrawn pursuant to the following:
 - 1. After bid opening, the Director may either waive minor informalities in a bid or allow the Bidder to correct them if a written determination is made that such action would not result in a pecuniary competitive bidding advantage to that Bidder. Nothing in this section shall be construed as requiring the Director to waive any informalities or to allow their correction.
 - 2. After bid opening, the bid may not be withdrawn and shall be corrected to the intended bid if a bid mistake and the intended bid are evident on the face of the bid.
 - 3. After bid opening, the Director may permit a Bidder to withdraw a bid if:
 - a. A mistake, not resulting from an error in judgment, is evident on the face of the bid but the intended bid; or
 - b. The Bidder establishes to the Director's satisfaction that a mistake was made not resulting in an error in judgment.

4. In the event of a discrepancy between the unit price and a multiplied subtotal the unit price shall govern.
 5. Mistakes shall not be corrected after award of the contract except where the Director makes a written determination that it would be unconscionable not to allow the mistake to be corrected.
- C. If correction or withdrawal of a bid after the bid opening is permitted or denied, the Director shall prepare a written determination showing that the relief was permitted or denied under these established rules and regulations.

Section 10.11 Bid Evaluation and Award

- A. The contract shall be awarded to the lowest responsible and responsive Bidder whose bid meets the requirements and evaluation criteria set forth in the Invitation for Bids.
- B. A product acceptability evaluation shall be conducted solely to determine whether a Bidder's product is acceptable as set forth in the Invitation for Bids and not whether one Bidder's product is superior to another Bidder's product. Any Bidder's offering that does not meet the acceptability requirements shall be rejected as non-responsive.
- C. Bids shall be evaluated to determine which Bidder offers the lowest cost to the City in accordance with the evaluation criteria set forth in the Invitation for Bids. Only objectively measurable criteria that are set forth in the Invitation for Bids shall be applied in determining the lowest Bidder. Examples of such criteria include, but are not limited to, transportation cost, energy cost, ownership cost and other identifiable costs or life cycle cost formula. Evaluation factors need not be precise predictors of actual future costs, but to the extent possible the evaluation factors shall be reasonable estimates based upon information the Director has available concerning future use.
- D. A contract may not be awarded to a Bidder submitting a higher quality item than that designated in the Invitation for Bids unless the Bidder is also the lowest Bidder as determined under Subpart C of this Section. This Section does not permit negotiations with any Bidder, unless the lowest, responsive and responsible Bidder's bid exceeds the available monies budgeted for the material, service or construction, which would allow negotiations with the lowest, responsive and responsible Bidder.
- E. In the event two or more low responsive bids from responsible Bidders are identical in price and meet all the requirements and criteria set forth in the Invitation for Bids, the tie shall be broken according to the following determined by the Director:
1. Best and Final offer when determined by the Director to be applicable; or
 2. Draw lots
- F. A record showing the basis for determining the successful Bidder shall be retained in the procurement file.
- G. The Purchasing Agent involved with the purchase shall provide a written notice of award to the successful Bidder within **twenty-four (24) hours** of Council award. For procurements equal to or in excess of the formal procurement limit, each unsuccessful Bidder shall be notified in writing of the award within **fourteen (14) days**. Notice of award shall be made available to the public.

Section 10.12 *Only One Bid Received*

If only one responsive and responsible bid is received in response to an Invitation for Bids, an award may be made to the single Bidder if the Director determines that the price submitted is fair and reasonable, and that other prospective Bidders had reasonable opportunity to respond and there is not adequate time for re-solicitation. Otherwise, the bid will be rejected pursuant to the provisions of Article 15, "Cancellation or Rejection of Solicitations", and:

- A. New bids may be solicited; or
- B. If the Purchasing Agent determines, in writing, that the need for the material, service or construction continues and the acceptance of the one bid is not advantageous to the City, the procurement may then be conducted under Article 18, "Sole Source" or Article 19, "Emergency Purchase", as appropriate.

Section 10.13 *Multi-Step Sealed Bidding*

- A. The multi-step sealed bidding method may be used if the Director determines that:
 - 1. Available specifications or purchase descriptions are not sufficiently complete to permit full competition without technical evaluations and discussions to ensure mutual understanding between each Bidder and the City;
 - 2. Definite criteria exist for evaluation of technical offers;
 - 3. More than one technically qualified source is expected to be available; and
 - 4. A fixed price contract will be used.
- B. The Purchasing Agent may hold a pre-bid conference with Bidders before submission or at any time during the evaluation of the unpriced technical offers.

Section 10.14 *Phase One Of Multi-Step Sealed Bidding*

- A. Multi-step sealed bidding shall be initiated by the issuance of an Invitation to Submit Technical Offers. The Invitation to Submit Technical Offers shall be issued according to Section 10.3, "Invitation for Bids", and shall contain the following information:
 - 1. Notice that the procurement shall be conducted in two phases;
 - 2. The best description of the material or services desired;
 - 3. A statement that unpriced technical offers only shall be considered in phase one;
 - 4. The requirements for the technical offers, such as drawings and descriptive literature;
 - 5. The criteria for evaluating technical offers;
 - 6. The closing date and time for receipt of technical offers and the location where offers should be delivered or mailed;
 - 7. A statement that discussions may be held; and

8. A statement that only bids based on technical offers, determined to be acceptable in phase one, shall be considered for award.
- B. The Invitation to Submit Technical Offers may be amended after the submission of the unpriced technical offers. The amendment shall be distributed only to Bidders who submitted unpriced technical offers, and those Bidders shall be permitted to submit new unpriced technical offers or to amend the offers already submitted. If an amendment materially changes the procurement, the Invitation to Submit Technical Offers shall be canceled in accordance with Article 15, "Cancellation or Rejection of Solicitations".
- C. Unpriced technical offers shall not be opened publicly, but shall be opened in the presence of the Procurement Agent and at least one witness. The contents of unpriced technical offers shall not be disclosed to unauthorized persons.
- D. Unpriced technical offers shall be evaluated solely in accordance with the criteria set forth in the Invitation to Submit Technical Offers and shall be determined to be either acceptable for further consideration or unacceptable. A determination that an unpriced technical proposal is unacceptable shall be in writing, state the basis of the determination and be retained in the contract file. If the Director determines a Bidder's unpriced technical offer is unacceptable, the Purchasing Agent shall notify that Bidder of the determination and that the Bidder shall not be afforded an opportunity to amend its technical offer.
- E. The Purchasing Agent may conduct discussions with any Bidder who submits an acceptable or potentially acceptable technical offer. During discussions, the Purchasing Agent shall not disclose any information derived from unpriced technical offers to any other Bidder. After discussions, the Purchasing Agent shall establish a closing date for receipt of final technical offers and shall notify, in writing, Bidders submitting acceptable or potentially acceptable offers of the closing date. The Purchasing Agent shall keep a record of all discussions.
- F. At any time during Phase One, offers may be withdrawn in accordance with Section 10.7, "Pre-Opening Modifications or Withdrawal of Bids".

Section 10.15 Phase Two of Multi-Step Sealed Bidding

- A. Upon completion of Phase One, the Purchasing Agent shall issue an Invitation for Bids and conduct Phase Two under Section 10.3, "Invitation for Bids", as a competitive sealed bidding procurement, except that the Invitation for Bids shall be issued only to Bidders whose technical offers were determined to be acceptable in Phase One.
- B. Unpriced technical offers of unsuccessful Bidders shall not be open to public inspection until after a contract has been awarded, except to the extent set forth in Section 10.9, "Receipt, Opening, Recording of Bids and Confidential Information".

ARTICLE 11 FORMAL PROCUREMENT PROCESS – REQUEST FOR PROPOSALS **(A.R.S. 41-2534)**

If the Director determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the City, a contract may be entered into by competitive sealed proposals. The Purchasing Section shall issue the standard Request for Proposals document established and approved by the Purchasing Section and the City Attorney's office. A Request for Proposals shall be issued when the evaluation and selection of a vendor for award includes other established evaluation criteria in addition to price and/or the scope of work/specifications are not definitively defined. The Request for Proposal document shall include a scope of work, and all contractual terms and conditions applicable to the procurement.

Section 11.1 Request for Proposals Determination

The Purchasing Agent shall determine if the Request for Proposals process is applicable for the selection of the material or service. Request for Proposals shall not be used for design-bid-build construction projects. However, a Request for Proposals may be used for any of the Alternative Project Delivery Methods (e.g., JOC, CMAR or Design-Build) as phase 2 of a Request for Statements of Qualifications process.

Section 11.2 Request for Issuance of a Request for Proposals

- A. The requisitioner or “End-user” shall electronically submit a requisition referencing the cost estimate or approved budget for the requested material or service.
- B. The Purchasing Agent shall obtain a proposal number from the Solicitation Log Book, located in the Purchasing Section and provide the description and the Purchasing Agent assigned.
- C. The Requisitioner or “End-user” shall provide the specifications and/or scope of work to the Purchasing Section. Once the solicitation is complete, the Purchasing Agent shall forward to the City Attorney’s office for review before issuance of the solicitation.

Section 11.3 Request for Proposals

- A. Request for Proposals may be considered to be more practicable or advantageous if it is necessary to:
 - 1. Use a contract other than a fixed-price type;
 - 2. Conduct oral or written discussions with Proposers concerning technical and price aspects of their proposals;
 - 3. Afford Proposers an opportunity to revise their proposals;
 - 4. Compare the different price, quality, and contractual factors of the proposals submitted;
 - 5. Award a contract in which price is not the determining factor; and/or
 - 6. Specifications and/or scope of work are not clear or well-defined.
 - 7. Proposals shall be opened publicly at the time and place designated in the Request for Proposals. Only the name of each Proposer shall be publicly read and recorded. All other information contained in the proposals shall be confidential so as to avoid disclosure of contents prejudicial to competing Proposers during the process of evaluation. The proposals shall be open for public inspection after contract award. Except to the extent the Proposer designates and the Director concurs, trade secrets or other proprietary data contained in the proposal documents shall remain confidential in accordance with established rules.
 - 8. Specific numerical weighting is not required. However, the Request for Proposal document shall state the relative importance of price and other evaluation factors.
 - 9. As provided in the Request for Proposals, and under established rules, discussions may be conducted with responsible Proposers who submit proposals determined to be reasonably susceptible to being selected for award for the

purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Proposers shall be accorded fair treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and before award for the purpose of clarification. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Proposers.

10. The award shall be made to the responsible Proposer whose proposal is determined in writing to be the most advantageous to the City taking into consideration the evaluation factors set forth in the Request for Proposals. No other factors or criteria may be used in the evaluation. The amount of any applicable City Transaction Privilege or Use Tax is not a factor in determining the most advantageous proposal to the extent a competing Proposer located outside the City is not subject to an equal tax rate. The contract file shall contain the basis on which the award is made.
- B. Request for Proposals shall set forth those factors listed in Section 10.4, "Invitation for Bids, Format, Content, Public Inspection" that are applicable and shall also state:
1. The type of goods or services required and a description of the work involved;
 2. The type of contract to be used;
 3. An estimated duration that the service will be required;
 4. That cost or pricing data is required;
 5. That discussions may be conducted with Proposers who submit proposals determined to be reasonably susceptible of being selected for award;
 6. The minimum information that the proposal shall contain;
 7. The closing date and time for receipt of proposals; and
 8. The evaluation criteria that will be used to evaluate proposal responses. Numerical weighting is not required. However, the Request for Proposal document shall reference each evaluation criterion's relative importance.
- C. A Request for Proposals shall be issued at least **twenty one (21) days** before the closing date and time for receipt of proposals, unless a shorter time is determined necessary in writing by the Director pursuant to a written request from the requesting Department receiving the goods or services. However, in accordance with the Flagstaff City Charter, public notice of the Request for Proposals shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of the proposals.
- D. In all competitive sealed Request for Proposals, the Purchasing Section shall issue a Request for Proposals using a solicitation document approved by the Purchasing Section and the City Attorney's office.

Section 11.4 *Solicitation Opportunities*

1. Solicitations shall be advertised in the Arizona Daily Sun and posted on the City's website. Prospective Proposers can download the solicitation and all other related documents at: flagstaff.az.gov/departments/purchasing/bidpostings-overview. After the heading "Bids available for download," click on "bid postings". All solicitations may be picked up from the Purchasing Section during normal business hours.

2. Interested Bidders can download and complete a Vendor Application form from the City's website. The Vendor Application form allows a Vendor to subscribe to receive an e-mail based notification of all current solicitation opportunities.

Section 11.5 *Pre-Proposal Conferences*

Pre-proposal conferences may be convened in accordance with the same procedures outlined in Section 10.5, "Pre-Bid Conferences".

Section 11.6 *Late Proposals, Modifications or Withdrawals*

- A. A proposal received after the closing date and time for receipt of proposals is late and shall not be considered except under the circumstances set forth in Section 10.8, "Late Bids, Late Withdrawals and Late Modifications". A best and final offer received after the closing date and time for receipt of best and final offers is late and shall not be considered except under the circumstances in accordance with the same procedures outlined in Section 10.8 (B), "Late Bids, Late Withdrawals and Late Modifications".
- B. A modification of a proposal received after the closing date and time for receipt of proposals is late and shall not be considered except under the circumstances in accordance with the same procedures outlined in Section 10.8(B), "Late Bids, Late Withdrawals and Late Modifications".
- C. A modification of a proposal resulting from an addendum issued after the closing date and time for receipt of proposals or a modification of a proposal resulting from discussions during negotiations shall be considered if received by the closing date and time set forth in the addendum or by the closing date and time for submission of best and final offers, whichever is applicable. If the modifications described in this subsection are received after the respective date and time described in this subsection, the modifications are late and shall not be considered except under the circumstances in accordance with the same procedures outlined in Section 10.8 (B), "Late Bids, Late Withdrawals and Late Modifications".
- D. A proposal may be withdrawn at any time before the closing date and time for receipt of best and final offers. Withdrawal of a proposal after submission of best and final offers is permissible only in accordance with Section 11.11 (B), "Mistakes in Proposal Response".

Section 11.7 *Receipt of Proposals*

- A. Each proposal received shall be date and time-stamped and retained in a secure place, within the Purchasing Section, until the closing date and time for receipt of proposals. A record of proposals shall be prepared and shall contain the name of each Proposer, the subject of the Request for Proposals and the assigned Request For Proposals number for which the proposal was submitted.
- B. Proposals shall be opened in the presence of one (1) or more witnesses. During the evaluation process, proposals and modifications shall be shown only to those individuals involved in the evaluation and scoring process.
- C. If only one proposal is received in response to a Request for Proposals, the Purchasing Agent may either make an award in accordance with Section 11.12, "Contract Award for Request for Proposals", or if time permits, re-solicit.

Section 11.8 *Evaluation of Proposals*

- A. Evaluation of proposals shall be based on the evaluation criteria set forth in the Request for Proposals.

Section 11.9 *Discussions with Responsible Proposers and Revisions to Proposal*

- A. Discussions may be conducted with responsible Proposers who submit proposals determined to be reasonably susceptible of being selected for award; for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussions and revision of proposals, and such revisions may be permitted after submissions and prior to award, for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Proposers. The purpose of such discussions may be to:
 - 1. Determine in greater detail such Proposer's qualifications;
 - 2. Explore with the Proposer the scope and nature of the project, the Proposer's proposed presented approach, the relative utility of alternate methods of approach and method of performance;
 - 3. Determine that the Proposer will make available the necessary personnel and facilities to perform within the required time; and
 - 4. Agree upon compensation which is fair and reasonable, taking into account the estimated value of the required services/equipment, the scope and complexity of proposed project and nature of such services/equipment.
- B. After an evaluation committee has reviewed all of the initial proposals, discussions may be held between the responding Proposers and the evaluation committee. Such discussions are conducted to more fully understand the initial proposals submitted by the Proposers.
- C. Following the initial proposal review and discussions phase, the evaluation committee may either recommend an award to a specific firm or firms, if their proposal is clearly the best offer, or further define the RFP's needs within the scope of the original RFP and call for best and final offers.
- D. Proposal information may not be disclosed to any other Proposer. Each Proposer's information and pricing shall be kept under strict security until after an award recommendation has been made.
- E. All responsive and responsible Proposers are to be given a fair and equal opportunity to respond to any narrowed scope/specification needs stated within the written best and final offer document that may be issued by the Director. If the evaluation process clearly proved (with supportive evidence) that certain Proposers were incapable of meeting the scope and needs of the RFP in a satisfactory manner, then those Proposers may be removed from further consideration during the best and final offer phase of the RFP evaluation process. The criteria for being removed from best and final consideration must be well documented and placed in the bid/contract file.

- F. Best and final offers shall be requested in formal writing by the Purchasing Section and a reasonable time period given to Proposers for making a quality response. Any requested, best and final offer shall be within the scope of the original RFP and used to further identify and clarify specific service/product needs and appropriate pricing requirements based on those further clarified needs. .

Section 11.10 *Best and Final Offers; Tied Proposals*

- A. If discussions are conducted pursuant to Section 11.9, "Discussions With Responsible Proposers and Revisions to Proposal", the Purchasing Agent shall issue a formal written request for best and final offers. The request shall set forth the date, time and place for the submission of best and final offers. Best and final offers shall be requested only once, unless the Purchasing Agent makes a written determination that it is advantageous to the City to conduct further discussions or change the City's requirements. The request for best and final offers shall inform Proposers that, if they do not submit a best and final offer, their immediate previous offer will be construed as their best and final offer.
- B. In the event of tied proposals, the tie shall be broken according to the following determined by the Director:
1. Best and final offer when determined by the Director to be applicable; or
 2. Draw lots.

Section 11.11 *Mistakes in Proposal Response*

- A. Prior to the time and date set for receipt of best and final offers, any Proposer may withdraw their best and final offer or correct any mistake by modifying their best and final offer.
- B. Proposers submitting a best and final offer, may withdraw a proposal or correct a mistake after the specified due date, in accordance with Section 10.10, "Mistakes in Bids".

Section 11.12 *Contract Award for Request for Proposals*

- A. The contract shall be awarded to the Proposer whose proposal is responsive and responsible and determined in writing to be the most advantageous to the City based on the factors set forth in the Request for Proposals. The determination shall explain the basis of the award.
- B. If the Contract(s) awarded exceeds the formal procurement limit, each unsuccessful Proposer shall be notified in writing of the award.
- C. After contract award or as determined by the Purchasing Agent, the proposals shall be open for public inspection, except to the extent that the withholding of information is permitted or required by law. If the Proposer designates a portion of the proposal as confidential, disclosure of such portion shall be made in accordance with the following:
1. If a Proposer believes that a proposal contains information that should be withheld, a statement advising the Purchasing Agent of this fact shall accompany the submission and the information shall be so identified wherever it appears. The information identified by the Proposer as confidential shall not be disclosed until the Purchasing Agent makes a written determination;

2. The Purchasing Agent shall review the statement and information and shall determine in writing whether the information shall be withheld; and
3. If the Purchasing Agent makes the determination to disclose the information, the Purchasing Agent shall inform the Proposer in writing of such determination.

ARTICLE 12 **FORMAL PROCUREMENT PROCESS – PROFESSIONAL DESIGN SERVICES, CAPITAL IMPROVEMENTS/CONSTRUCTION AND CONSTRUCTION SERVICES (A.R.S. 41-2578 and A.R.S. 34)**

The formal procurement process for professional design services and capital improvements/construction projects utilizes different solicitation documents than the Request for Proposals. If the procurement is for professional design services, the Purchasing Agent shall utilize the Request for Statements of Qualifications solicitation. If the procurement is for capital improvements/construction, the Purchasing Agent shall utilize the Invitation for Bids (IFB) or one of the Alternative Project Delivery Methods, such as Construction Manager At Risk (CMAR), Design Build (DB) or Job Order Contracting (JOC), as deemed appropriate. If any of the Alternative Project Delivery Methods are utilized, the solicitation and contract award shall be based on qualifications utilizing the Request for Statements of Qualifications (RSOQ). In the event a decision is made by the Purchasing Agent to have a phase 2 of the solicitation process, A Request for Proposals may be used to include pricing information. Both the Request for Statements of Qualifications and the Request for proposals documents shall include specifications and/or scope of work, and all contractual terms and conditions applicable to the procurement.

Section 12.1 Request for Solicitation Determination

The Purchasing Agent shall determine if the Invitation for Bids or one of the Alternative Project Delivery Methods, followed by a Request for proposals, if there is a phase 2, is more appropriate for the selection of the service or construction with an estimated expenditure exceeding the formal procurement limit.

Section 12.2 Request for Issuance of a Formal Solicitation

- A. The requisitioner or “End-user” shall electronically submit a requisition referencing the cost estimate or approved budget for the requested service or construction.
- B. The Purchasing Agent shall obtain a bid number from the Solicitation Log Book in the Purchasing Section, provide the description of the purchase or project, the Purchasing Agent assigned and determine the appropriate solicitation document and agreement to be used.
- C. The Requisitioner or “End-user” shall provide the specifications and/or scope of work to the Purchasing Section. Once the solicitation is complete, the Purchasing Agent shall forward to the City Attorney’s office for review before issuance of the solicitation.

Section 12.3 Professional Design Services

Professional Design Services are those services that are legally required to be accomplished, reviewed and approved by professionals registered to practice in the State of Arizona and pertain to the following professional services:

1. Architect services
2. Engineering services

3. Assayer services
4. Geologist services
5. Landscape Architect services
6. Land Surveying services

Contracts for these professional design services shall be solicited through a Request for Statements of Qualifications, except as otherwise provided for in Article 18, Sole Source, Article 19, Emergency Purchase, or Article 20, "Procurements From Solicitations by Other Governmental Entities". The Purchasing Section shall issue the standard Request for Statements of Qualifications document established and approved by the Purchasing Section and the City Attorney's office. All contracts for professional services referenced above, shall be awarded and administered in accordance with the requirements of A.R.S. Title 34, Public Buildings and Improvements and the appropriate Article or Section of this Procurement Code Manual.

The Request for Statements of Qualifications, shall be issued at least **twenty one (21) days** before the closing date and time for receipt of statements of qualifications, unless a shorter time is determined necessary in writing by the Director. However, in accordance with the Flagstaff City Charter, public notice of the Request for Statements of Qualifications shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of statements of qualifications.

Section 12.4 Capital Improvements/Construction

- A. Capital Improvements is the construction related projects involving the process of building, altering, repairing, improving or demolishing any public structure or building or other public improvements of any kind to any public real property, which extends the life or increases the productivity of the real property. Construction is the process of building, altering, repairing, improving or demolishing any public infrastructure facility, including public structure, public building, or other public improvements of any kind to any real property. Construction does not include the routine operation, routine repair, or routine maintenance of existing public infrastructures or facilities, including structures, buildings or real property.
- B. Contracts for capital improvements/construction shall be solicited utilizing an Invitation for Bids process or one of the Alternative Project Delivery Methods, except as otherwise provided for in Article 18, "Sole Source" or Article 19, "Emergency Purchase".
- C. The Purchasing Section shall issue the appropriate, selected, solicitation document established and approved by the Purchasing Section and the City Attorney's office.
- D. All contracts for Capital Improvements/construction shall be awarded and administered in accordance with the requirements of A.R.S. Title 34, Public Buildings and Improvements and the appropriate Article or Section of this Procurement Code Manual.
- E. Bidders shall submit subcontractor lists for all subcontracts that are above \$5,000. Bids not in compliance with this requirement shall be deemed non-responsive. Submission of the subcontractor list shall act as Bidder certification that the work shall be performed by either the Bidder or the listed subcontractors. Substitutions may be allowed for reasons including, but not limited to, subcontractor non-responsiveness, insolvency, or any other reason deemed by the Director to be in the best interest of the City.

Section 12.5 Construction Services

Construction Services is a combination of construction and one or more related services, such as finance services, maintenance services, operations services, design services and pre-construction services, as these services are authorized in the definitions of Construction Manager at Risk, Design Build or Job Order Contracting as follows:

- A. Construction-Manager-At-Risk is a project delivery method in which:
1. There is a separate contract for design services and a separate contract for construction services;
 2. The contract for construction services may be entered into at the same time as the contract for design services or at a later time;
 3. Design and construction of the project may be in sequential phases or concurrent phases; and
 4. Finance services, maintenance services, operations services, preconstruction services, and other related services may be included.
- B. Design-Build is a project delivery method in which:
1. There is a single contract for design services and construction services;
 2. Design and construction of the project may be in sequential phases or concurrent phases; and
 3. Finance services, maintenance services, operations services, preconstruction services, design services and other related services may be included.
- C. Job-Order-Contracting is a project delivery method in which:
1. The contract is a requirements contract for indefinite quantities of construction;
 2. The construction to be performed is specified in job orders issued during the contract;
 3. Finance services, maintenance services, operations services, preconstruction services, design services and other related services may be included; and
 4. The project limit shall be set by the Director in accordance with A.R.S. Title 34, Public Buildings and Improvements.
- D. Design-Bid-Build is the traditional project delivery method, other than the three (3) alternative project delivery methods, referenced above, in which:
1. There is a sequential award of two (2) separate contracts;
 2. The first contract is for design services;
 3. The second contract is for the actual construction;
 4. Design and construction of the project are in sequential phases; and

5. Finance services, maintenance services and operations services are not included.

Contracts for construction services shall be solicited through a construction-manager-at-risk, design-build or job-order-contracting selection process utilizing a Request for Statement of Qualifications, except as otherwise provided for in Article 18, "Sole Source" or Article 19, "Emergency Purchase". The Purchasing Section shall issue the standard Request for Statements of qualifications document established and approved by the Purchasing Section and the City Attorney's office. All contracts for professional services referenced above, shall be awarded and administered in accordance with the requirements of A.R.S. Title 34, Public Buildings and Improvements and the appropriate Article or Section of this Procurement Code Manual.

The Request for Statements of Qualifications, shall be issued at least **twenty one (21) days** before the closing date and time for receipt of statements of qualifications, unless a shorter time is determined necessary in writing by the Director. However, in accordance with the Flagstaff City Charter, public notice of the Request for Statements of Qualifications shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of statements of qualifications.

ARTICLE 13 **FORMAL SOLICITATION ADVERTISING** ***(City Charter, except B through G which are discretionary)***

- A. The Purchasing Agent shall advertise all formal solicitations as follows:
 1. Invitation for Bids--- At least one (1) time in a local newspaper of general circulation no less than five (5) days prior to bid opening.
 2. Request for Proposals—At least one (1) time in a newspaper of general circulation no less than five (5) days prior to proposal opening.
 3. Request for Statements of Qualifications--- At least two (2) consecutive times in a newspaper of general circulation no less than six (6) days apart and no more than ten (10) days apart prior to the statement of qualifications opening. The opening shall not be less than five (5) days from the last advertisement.
- B. The requisitioning department shall budget for this required advertising.
- C. The City web site references all formal solicitation opportunities.
- D. The Purchasing Section may mail a notice of solicitation and any addendums to persons listed on the City Bidder's List and any person requesting the information. Bidnet, Arizona Procurement Technical Assistance Network, Construction News, Dodge, and other resources deemed appropriate by the Purchasing Section may be included in mailing lists for all applicable solicitations. All solicitations listed on the City's web site are available for downloading. Interested Bidders may subscribe to receive an e-mail based notification of all current solicitation opportunities by downloading and completing a vendor application from the City's website. The vendor application can be found by going to the City's website home page, clicking on City Hall, and then Departments, and then Purchasing and then vendor registration and then the link for vendor application.
- E. All solicitations may be picked up from the Purchasing Section during normal business hours. For construction related projects involving plan sets, the City's Project Manager

assigned to the project or a designee within their Division or Section shall be responsible for providing and logging plan sets requested by prospective Proposers.

- F. The Purchasing Section shall be responsible for scheduling bid or proposal openings and required pre-bid or pre-proposal conferences and post award meetings.
- G. The Purchasing Agent shall determine and coordinate any necessary addendums and issue any required addendums, receive bids or proposals and conduct bid or proposal openings.
 - 1. Only the Purchasing Section may supply interested persons with official copies of formal solicitations; and
 - 2. Only a Purchasing Agent may issue a Notice of Award or a Notice to Proceed.

ARTICLE 14 **EVALUATION/SELECTION COMMITTEE FOR MATERIALS, SERVICES, PROFESSIONAL DESIGN SERVICES AND CONSTRUCTION**
(Discretionary, except B and C, per A.R.S. 34-603)

All vendor responses to formal solicitations that contain evaluation criteria, in addition to price, shall be evaluated and scored by an evaluation/selection committee according to the following:

- A. The committee shall review and evaluate vendor responses according to the evaluation criteria referenced in the solicitation document. All committee members shall score each vendor according to the scoring matrix provided by the Purchasing Agent.

Section 14.1 Guidelines for Evaluation/Selection Committee; Selection Process

A. Appoint Evaluation/Selection Committee for Materials and Services:

- 1. The selection of Evaluation Committee members shall be determined, collectively, by the Purchasing Agent and the end-user. The evaluation committee shall consist of at least three (3) people, but preferably five (5) people. For any evaluation committee comprised of more than three (3) members, the committee shall consist of an odd number of members. Committee membership shall be a diverse group familiar with the elements contained in the Scope of Work.
- 2. Evaluation Committee membership is not restricted to City employees. However, committee members may not receive compensation, present a proposal, nor be affiliated with a person presenting a proposal.
- 3. Evaluation Committee members may be required to attend a training session on the elements of evaluating proposal responses from Proposers and the various elements to be scored, given the evaluation criteria outlined in the solicitation document.

B. Appoint Evaluation/Selection Committee for Professional Design Services:

- 1. The selection of Evaluation Committee members shall be initiated and determined, collectively, by the Purchasing Agent and the City Project Manager assigned to the project. The evaluation committee shall consist of at least five (5) members, but no more than seven (7) members and shall include at least one (1) member who is a senior management employee of a licensed Contractor and one (1) member who is an Architect or Engineer registered in the State of Arizona. The remaining evaluation committee membership shall be a diverse

group familiar with the elements contained in the Scope of Work. A member on the evaluation committee, who is not an employee of the City, shall not be a Contractor under a contract awarded under the procurement or provide any professional services, construction, construction services, materials or other services under the contract.

2. These members may be employees of the City or not an employee of the City. Members who are not employees of the City, outside Contractors, Architects and Engineers serving on an evaluation committee, are not entitled to receive compensation from the City for performing this service, nor be affiliated with a person submitting a statement of qualifications. However, the City may elect to reimburse members who are not employees of the City, outside Contractors, Architects and Engineers for travel, lodging and other expenses incurred in connection with service on an evaluation committee.
3. Evaluation Committee members may be required to attend a training session on the elements of evaluating proposal responses from Proposers and the various elements to be scored, given the evaluation criteria outlined in the solicitation document.

C. ***Appoint Evaluation/Selection Committee for Construction (utilizing a Request for Statements of Qualifications solicitation):***

1. The selection of Evaluation Committee members shall be initiated and determined, collectively, by the Purchasing Agent and the City Project Manager assigned to the project. The evaluation committee shall consist of at least five (5) members, but no more than seven (7) members and shall include at least one (1) member who is a senior management employee of a licensed Contractor and one (1) member who is an Architect or Engineer registered in the State of Arizona. The remaining evaluation committee membership shall be a diverse group familiar with the elements contained in the Scope of Work. A member on the evaluation committee, who is not an employee of the City, shall not be a Contractor under a contract awarded under the procurement or provide any professional services, construction, construction services, materials or other services under the contract.
2. These members may be employees of the City or not an employee of the City. Members who are not employees of the City, outside Contractors, Architects and Engineers serving on an evaluation committee, are not entitled to receive compensation from the City for performing this service, nor be affiliated with a person submitting a statement of qualifications. However, the City may elect to reimburse members who are not employees of the City, outside Contractors, Architects and Engineers for travel, lodging and other expenses incurred in connection with service on an evaluation committee.
3. Evaluation Committee members may be required to attend a training session on the elements of evaluating proposal responses from Proposers and the various elements to be scored, given the evaluation criteria outlined in the solicitation document.

Section 14.2 Guidelines for the Selection of Evaluation Criteria Used in a Solicitation Advertised as an Invitation for Bids, Request for Proposals or a Request for Statements of Qualifications

- A. The selection of evaluation criteria shall be initiated and determined by the Director and the end-user or City Project Manager, depending on the solicitation utilized. It is at the discretion of the Director and end-user or City Project Manager to select evaluation

criteria that is deemed to be objectively measurable and allow for the evaluation, selection and award of a contract that is in the best interest of the City. The City does not have a Local Bid Preference Ordinance, as the Arizona Supreme Court has rendered a legal opinion that giving a bid preference to local Bidders is unconstitutional.

- B. All solicitations advertised as a Request for Statements of Qualifications shall include the evaluation criterion "Value Added Knowledge and Experience" as follows:

Value Added Knowledge and Experience (10 points)

The team hired by the City must be familiar with local community needs, standards, historical challenges, local codes and site conditions. Additionally, the team must be accessible to City staff during the contracted design and construction phase of the Project.

1. Resolution of issues may be part of the project work. Describe your response protocol and how the firm's Project Manager (or responsible person in charge) will be accessible to City staff.
2. Explain why your firm is particularly qualified to perform your services in the Flagstaff area. Demonstrate the Project Manager's (or responsible person in charge) knowledge of local geology, climate, practices, materials and codes by specifying in the submittal their experience working in the Northern Arizona region or in a region with geology, climate and conditions similar to those of the City of Flagstaff.
 - a. Briefly describe two of your most recent projects that were performed in the greater Flagstaff area or an area that presents geologically and climatologically similar characteristics.
3. During construction what is the response time by a qualified person (decision making authority) to meet and resolve concerns and to accommodate unforeseen issues? (5 points if less than 30 minutes, 0 points if over 30 minutes)

ARTICLE 15 CANCELLATION OR REJECTION OF SOLICITATIONS (A.R.S. 41-2539 and City Charter)

An Invitation for Bids, a Request for Proposals or Request for Statements of Qualifications may be canceled by the Director prior to the solicitation opening. However, all bids, proposals or statements of qualifications submitted by a Bidder or proposer may be rejected after the solicitation opening, but the rejection of solicitation shall be approved by City Council as provided in the City Charter.

Section 15.1 Solicitation Statement

Each solicitation issued by the City shall state that the solicitation may be canceled or bids or proposals rejected in whole or in part.

Section 15.2 Cancellation of Solicitation Before Bids or Proposals Are Due

- A. Before bids or proposals are due, a solicitation may be canceled if the Purchasing Agent determines that cancellation is advantageous to the City.
- B. If a solicitation is canceled before bids or proposals are due, notice of cancellation shall be posted to the City website and sent to all prospective Bidders or Proposers who

completed and provided to the Purchasing Section an Acknowledgment of Receipt form when practicable, depending on the number of prospective Bidders who submitted this form. The notice of cancellation shall identify the solicitation and briefly explain the reason for cancellation.

- C. Any bids or proposals received by the City for a canceled solicitation shall be returned to the Bidder or Proposer unopened.

Section 15.3 *Cancellation of Solicitation After Bids or Proposals Are Due*

- A. After opening of bids or proposals, but before award, a solicitation may be canceled if the Purchasing Agent determines that cancellation is advantageous to the City.
- B. A notice of cancellation shall be sent to all Bidders or Proposers submitting bids or proposals.
- C. Bids or proposals received shall be placed in a sealed file pending a decision of a rebid of the solicitation. In the event of a rebid of the solicitation, the file shall remain sealed until an award is made.

Section 15.4 *Rejection of All Solicitations*

- A. After receipt, opening and evaluation, but before award, all solicitations may be rejected if determined to be in the best interest of the City. However, any recommendations for a solicitation to be rejected shall be approved by the City Council.
- B. A notice of rejection shall be sent to all Bidders or Proposers submitting bids or proposals.

Section 15.5 *Procurement Procedural Irregularity*

The Purchasing Agent shall act to cancel or reject in the event that action is deemed in the best interest of the City due to a procurement procedural irregularity.

ARTICLE 16 *DETERMINATION OF BIDDER AND PROPOSER RESPONSIBILITY* **(A.R.S. 41-2540)**

- A. A written determination of non-responsibility of a Bidder or Proposer shall be made in accordance with established rules. The unreasonable failure of a Bidder or Proposer to promptly supply information in connection with an inquiry with respect to responsibility shall be grounds for a determination of non-responsibility with respect to the Bidder or Proposer.
- B. Information furnished by a Bidder or Proposer pursuant to this section shall not be disclosed outside of the Purchasing Section without prior written consent by the Bidder or Proposer, except to law enforcement agencies under a subpoena or court order.
- C. Factors to be considered in determining if a proposed vendor is responsible include:
 - 1. The proposed Bidder's or Proposer's financial, physical, personnel or other resources, including subcontractors;
 - 2. The proposed Bidder's or Proposer's record of performance and integrity;

3. Whether the proposed Bidder or Proposer is qualified legally to contract with the City;
 4. Whether the proposed Bidder or Proposer supplied all necessary information concerning its responsibility; and
 5. Whether the proposed Bidder or Proposer holds any required and active valid State of Arizona license(s) to conduct business or to perform the work proposed.
- D. The Purchasing Agent may establish specific responsibility criteria for a particular procurement. Any specific responsibility criteria shall be outlined in the solicitation.
- E. If the Purchasing Agent determines that a prospective Bidder or Proposer is non-responsible, the determination shall be approved by the Director and shall be in writing and set forth the basis for the determination. A copy of the determination shall be promptly sent to the non-responsible Bidder or Proposer. The Bidder or Proposer may protest the determination by following Article 29, "Protests", Sections 29.1 through 29.6. The final determination shall be made part of the procurement file.

Section 16.1 Request for Review of Responsibility

- A. In the event a Purchasing Agent has cause to question the responsibility of the low Bidder or highest scoring Proposer, a formal letter shall be sent to the Bidder or Proposer containing all information available, including the specific areas where responsibility evidence is desired.
- B. Information supplied by the Bidder or Proposer shall be evaluated by the Purchasing Agent.
- C. In the event the Bidder or Proposer is determined non-responsible, the Bidder or Proposer shall be notified in writing of the decision.

ARTICLE 17 COST OR PRICING DATA (A.R.S. 41-2543)

- A. The submission of current cost or pricing data may be required in connection with an award in situations in which analysis of the proposed price is essential to determine that the price is reasonable and fair. A Bidder or Proposer shall, when requested, submit current cost or pricing data and shall certify that, to the best of the Bidder's or Proposer's knowledge and belief, the cost or pricing data submitted is accurate, complete and current as of a mutually determined specified date.
- B. This certification may also be requested to substantiate requests for price adjustments for contracts with options to extend and any contract modification or change order.
- C. This certification may also be requested to substantiate requests for cost reimbursements pursuant to the specific terms and conditions contained in a City contract.

Section 17.1 Reimbursement

Provisions for reimbursement of costs shall, where applicable, be included in the terms of the contract and it shall be required that written approval of the Procurement Agent be obtained by the Bidder or Proposer prior to incurring costs to be reimbursed.

ARTICLE 18 **SOLE SOURCE (A.R.S. 41-2536)**

- A. A contract may be awarded for a material, service or construction without competition if the Purchasing Agent determines in writing that there is only one source for the required material or service. The Director may require the submission of cost or pricing data in connection with an award under this section. Sole source procurement shall be avoided, except when no reasonable alternative sources exist. The written determination of the basis for the sole source procurement shall be included in the contract file.
- B. The Purchasing Agent shall negotiate with the sole source Bidder or Proposer, to the extent practicable, a contract advantageous to the City.
- C. Sole Source purchases authorized by the Purchasing Agent, which exceed the formal procurement limit, shall be awarded pursuant to Article 26, "Award of Contract".

Section 18.1 Sole Source, Evidence Request

- A. Sole Source procurement shall not be used unless there is clear and convincing evidence that there is only one source as determined by the Purchasing Agent.
- B. In the event a Department or Division requests a Sole Source procurement, written evidence and report of research to support the request shall be provided to the Purchasing Agent.
- C. Negotiations involving Sole Source purchases shall not commence until the Purchasing Agent has approved the Sole Source purchase.

Section 18.2 Sole Source Justification

- A. Justification for sole source purchases, at **five thousand and one dollars (\$5,001)** and greater, are required.
- B. The Purchasing Agent shall approve, prior to any negotiation, any Sole Source purchase over **five thousand dollars (\$5,000)** pursuant to Section 18.1, "Sole Source, Evidence Request".
- C. A sole source agreement at **five thousand and one dollars (\$5,001)** and up to **forty nine thousand nine hundred and ninety nine dollars (\$49,999)** may be approved by the Director for a period up to five (5) years based on City requirements and market conditions. A sole source agreement at **fifty thousand (\$50,000)** and greater, shall be approved by City Council for a period up to five (5) years.

ARTICLE 19 **EMERGENCY PURCHASE (A.R.S. 41-2537)**

- A. Notwithstanding any other provision in this Procurement Code Manual, the Director may make or authorize others to make emergency procurements if there is a threat to public health, welfare, or safety or if a situation exists which makes compliance with the procurement process specified in Articles 10, "Formal Procurement Process—Invitation For Bids", Article 11, "Formal Procurement Process—Request For Proposals" and Article 12, "Formal Procurement Process—Professional Design Services, Capital Improvements/Construction And Construction Services" contrary to the public interest.

Emergency procurements shall be made with such competition as is practicable under the circumstances.

- B. A written determination of the basis for the emergency and for the selection of the particular Bidder or Proposer shall be included in the contract file.
- C. Emergency purchases authorized by the Director which exceed the formal procurement limit, shall be reported to the City Council, as a confirming payment.

Section 19.1 Conditions for Emergency Purchase

An emergency shall be deemed to exist if:

- A. There is a great public calamity;
- B. There is immediate need to prepare for national or local defense;
- C. There is a breakdown in machinery or an essential service which requires the immediate purchase of supplies or services to protect the public health, welfare or safety; or
- D. An essential departmental operation affecting the public health, welfare or safety would be greatly hampered if the prescribed formal or informal purchasing procedure would cause an undue delay in procurement of the needed item or service.

Section 19.2 Emergency Purchase Procedure

- A. If the emergency occurs during Purchasing Office hours, the requesting department shall contact the Director or a Purchasing Agent who shall procure or authorize the procurement of the necessary materials, services or construction and fully document the purchase.
- B. In the event the emergency occurs after Purchasing Office hours, any City employee may make any necessary procurement after receipt of authorization from the Department's or Division's Manager or Supervisor.
 - 1. By the next working day, a full report of the circumstances of the emergency purchase shall be made by the person making the purchase. The report shall be filed with the Director for inclusion in the appropriate Purchasing records; and
 - 2. If the purchase exceeded the formal bid limit, the Director and the City employee who made the emergency purchase, shall seek approval of the purchase from the City Council as a confirming payment.

ARTICLE 20 PROCUREMENTS FROM SOLICITATION BY OTHER GOVERNMENTAL ENTITIES (A.R.S. 41-2632)

The City may enter into contracts for the procurement of materials, services or construction pursuant to specifications, solicitations or contracts issued by other governmental entities. Such purchases shall conform to state procurement statutes and the Purchasing Agent involved shall conduct due diligence and conclude that the solicitations or contracts issued by other governmental entities conform to the purpose and spirit of this Procurement Code Manual.

Section 20.1 *Existing Contracts*

- A. When making a purchase that conforms to the purpose and spirit of this Procurement Code Manual and the purchase exceeds the City's formal bid limit, the Director shall place a written justification for the use of a contract issued by another governmental agency in the City's contract file, provided the Bidder or Proposer is willing to extend the contract to the City and the Purchasing Agent and the requesting Division obtains City Council approval prior to making the purchase.
- B. The Purchasing Agent shall execute a Purchase Order or Notice of Award referencing the applicable contract of the soliciting entity.

Section 20.2 *Joint Solicitations*

- A. When the City intends to purchase goods or services with another governmental agency through a contract with that agency and the selected Bidder or Proposer, the City may participate in any solicitation issued by that governmental agency provided:
 - 1. The Procurement Officer of the other governmental agency invites the participation or responds positively to a request by the City to participate;
 - 2. The terms and conditions of the lead agency's solicitation have been reviewed by the Purchasing Agent and the City Attorney's office and determined to be advantageous to the City; and
 - 3. The procurement process governing the solicitation substantially conforms to the purpose and spirit of this Procurement Code Manual.
- B. Another governmental agency may join in any formal solicitation issued by the City provided:
 - 1. The governmental agency will be a party to the contract which the City and the selected Bidder or Proposer will enter into; and
 - 2. The participation is not found by the Director to be disadvantageous to the City.
- C. The provisions of this joint solicitation rule do not apply to the City's participation in solicitations conducted by, but not limited to, the following governmental entities or groups of governmental entities: The Flagstaff Alliance For The Second Century, the State of Arizona, Mohave Educational Services Cooperative, the Western States Contracting Alliance (WSCA), U.S. Communities and the Strategic Alliance for Volume Expenditures (SAVE). Participation in these procurements will continue to be subject to the terms and conditions specified in their respective contracts.

Section 20.3 *Cooperative Purchasing Contract Awards*

Cooperative purchasing contracts shall be awarded as specified in Article 26, "Award of Contract".

Section 20.4 *Purchases From Existing Contracts*

- A. The Director or Purchasing Agent and the Requesting Division shall determine, collectively, whether using an existing contract from another governmental entity would be in the best interest of the City.
- B. The terms and conditions of the selected governmental entity's solicitation have been reviewed by the Purchasing Agent and the City Attorney's office and determined to be advantageous to the City.
- C. The Director or Purchasing Agent shall make the purchase according to all applicable sections within this Procurement Code Manual.

Section 20.5 *Request for Joint Solicitation*

- A. The Requesting Department shall request, in writing to the Director, participation in a joint solicitation.
 - 1. Written request shall include the volume and estimated value of the purchase, which agency is to conduct the solicitation, and benefit to the City for the joint solicitation; and
 - 2. Upon written approval, by the Director, the City's Requesting Department shall coordinate with the other entity the preparation of specifications.
- B. The procurement activity shall be conducted or coordinated by the Director or Purchasing Agent whether the City is the lead agency, or another governmental entity is the lead agency.

Section 20.6 *Commitment to Purchase or Participate*

The Director or Purchasing Agent, in conjunction with the requesting Division, shall determine if it is advantageous for the City to a purchase pursuant to a contract issued by another governmental entity or to participate in a joint solicitation with another governmental entity.

ARTICLE 21 *BID AND CONTRACT SECURITY (A.R.S. 41-2573)*

The submission of security to guarantee faithful bid and contract performance may be required. In determining the amount and type of security required for each contract, the Director shall consider the nature of the performance and the need for future protection for the City. The requirement for security must be included in the solicitation documents.

Section 21.1 *Bid Bond*

The Purchasing Agent shall determine, on a case by case basis, the need for Bid Security and the amount in order to protect the interest of the City, except where specifically required by A.R.S., Title 34, Public Buildings and Improvements.

- A. If required by A.R.S., Title 34, Public Buildings and Improvements, the security shall be in the form of a bid bond issued by a company authorized to issue surety bonds in the State of Arizona or a Cashier's Check made payable to the City of Flagstaff in the amount of ten percent (10%) of the vendor's total bid.

- B. Bid Security shall be returned to all but the two lowest responsible and responsive Bidders or Proposer within ten (10) days after the opening of bids, and the remaining securities returned within three (3) days after the execution of the contract.

Section 21.2 *Performance and Payment Bonds*

The Purchasing Agent shall determine, on a case by case basis, the need for a Performance and/or Payment Bond and the amount in order to protect the interests of the City, except where specifically required by A.R.S., Title 34, Public Buildings and Improvements.

- A. If required by A.R.S., Title 34, Public Buildings and Improvements, the security shall be in the form of a Performance Bond or Payment Bond issued by a person authorized to issue surety bonds in the State of Arizona, or upon approval of the Director, secured Cashier's Check made payable to the City of Flagstaff in the amount of one hundred percent (100%) of the vendor's total bid. Individual or personal sureties will not be allowed.
- B. The contract number and dates of performance must be clearly indicated in the Bond.
- C. The Director may consider other forms of Performance and Payment guarantee, depending on the project, with the concurrence of the City's Risk Manager and the City Attorney's office.

Section 21.3 *Collection of Bid Bonds*

The Purchasing Agent shall notify vendors/contractors, in writing, who fail to execute required contracts of their bond forfeiture and shall act to collect the bond amount if a surety was posted.

Section 21.4 *Enforcement of Performance Bond*

- A. The Purchasing Agent shall notify vendors/contractors, in writing, who fail to provide performance bonds of their default, initiate action to award to second low Bidder or re-bid.
- B. The City's Project Manager or Purchasing Agent shall notify the Director and the City Attorney's office of any performance deficiency in order that the City may initiate a claim against the performance bond in the event the deficiency cannot be resolved with the vendor/ contractor.

ARTICLE 22 *MULTI-TERM CONTRACTS (A.R.S. 41-2546)*

- A. Unless otherwise provided by law, a contract for materials or services may be entered into for a period of time up to five years, as deemed to be in the best interest of the City, if the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and monies are available for the first fiscal year period at the time of contracting. A contract may be entered into for a period of time exceeding five years if the Director determines in writing that such a contract would be advantageous to the City and the City Council approves the contract term.
- B. Multi-term contracts shall contain provisions for cancellation by the City in the event funds are not appropriated for the continuance of the contract.

Section 22.1 *Determination for Contract Periods Over 5 Years*

- A. Written requests for contracts exceeding five (5) years shall justify the advantage to the City and indicate why more frequent competition is not practicable.

Section 22.2 *Establishment of Contract Period*

- A. The Director and requesting department shall determine the appropriate contract period based on market conditions, nature of the material or service, and applicable Contract Administration factors.
- B. Contracts due to expire prior to a formal solicitation for a new term contract award may be extended on a month to month basis, approved by the Director, to maintain organizational service levels until a new formal solicitation can be conducted and a new contract awarded.

Section 22.3 *Authority to Renew*

- A. The Purchasing Director shall have authority to renew a contract if the original contract, approved by City Council, contains a provision that allows for contract renewals upon mutual agreement of both parties and the Purchasing Director has determined in writing that the vendor is not in breach of contract and is performing satisfactorily.

ARTICLE 23 *RIGHT TO INSPECT; AUDIT (A.R.S. 41-2547 & 41-2548)*

- A. ***Right to inspect.*** The City may, at reasonable times, inspect the place of business of a contractor or any subcontractor which is related to the performance of any contract awarded or to be awarded by the City.
- B. ***Right to Audit.*** The City may at reasonable times and places, audit the books and records of any person who submits cost or pricing data to the extent that the books and records relate to the cost or pricing data, or audit the books and records of any person under any contract to the extent that the books and records relate to the performance of the contract. Any person who receives a contract, change order or contract modification for which cost or pricing data is required shall maintain the books and records that relate to the cost or pricing data for three (3) years from the date of final payment under the contract, unless a shorter period is otherwise deemed appropriate by the Director.

ARTICLE 24 *CONTRACT PROVISIONS AND AMENDMENTS (A.R.S. 41-2585)*

- A. The Director and the City Attorney's office shall require inclusion in all contracts various provisions regarding appropriate remedies, time of performance, insurance, assurance, price increase limits, options to renew, cost reimbursement and any other terms and conditions, considered to be protective clauses and advantageous to the City.

Section 24.1 *Standard Provisions*

The Director and the City Attorney's office shall prepare and make available standard contract language for contracts subject to this Procurement Code Manual and State of Arizona statutory requirements. Any modification, deletion, or addition to established contract language shall only be made with the prior approval of the Director and City Attorney's office.

Section 24.2 *Effective Dates*

All contracts shall state an effective date, initial term of the contract and any contract renewal options after the initial contract term expires and, if applicable, performance dates or notice requirements for implementation date.

Section 24.3 *Contract Review Process*

- A. All contracts shall be reviewed by the Purchasing Agent and the City Attorney's office prior to issuance of a solicitation or execution by the Bidder or Proposer for the purpose of including all applicable contract provisions advantageous to the City.
- B. When deemed appropriate, the Director may also require review and approval by other City Staff.

Section 24.4 *Contract Preparation Process*

- A. All contracts shall be referenced by a number assigned by the Procurement Agent.
- B. Contracts shall be awarded according to Section 26.1 "Notice of Intent to Award".
- C. Formal contracts, at minimum, shall be prepared and signed in triplicate. The successful Bidder or Proposer shall sign the contract first, whenever possible. The contract shall then be routed using a "Document Tracking" form to the City Attorney's office for an Attorney's signature and then routed to the City Clerk's office for signature by the City Manager or Mayor, as appropriate, and then signed by the City Clerk. The distribution of signed contracts shall be as follows: one (1) original copy to the Bidder or Proposer, one (1) original copy to be put in the solicitation file within the Purchasing Section and one (1) original copy to the City Clerk's office.

Section 24.5 *Contracts to be Maintained by the City Clerk*

- A. A copy of all original signed contracts, including any associated amendments, shall be forwarded to the City Clerk who shall assign a contract number and maintain all City wide contracts.

Section 24.6 *Contract Amendments*

Contracts may be amended if the Director, end-user and the City Attorney's office determines, in writing, that such modification is advantageous to the City, except contracts originally awarded by the City Council may be amended only with the approval of the City Council, unless the amendment is to provide necessary clarification, provided by the Director and City Attorney's office, to eliminate varying interpretation.

- A. Amendments to contracts shall include signatures of all parties signing the original contract, except where personnel changes have been made to authorized agents of a business entity or the positions of authority within the City. Contract amendments shall be drafted or reviewed by the Purchasing Section and the City Attorney's office prior to signing by the vendor.
- B. Amendments that increase the total expenditure commitment from the informal to formal procurement limit are subject to approval through the formal contract award process as required in Section 26.1 "Notice of Intent to Award".

- C. Contract amendments shall not alter the terms and conditions or scope of work to the extent that, had the contract been bid in the modified state, the resulting low Bidder could have changed, or to the extent that the bid participation could reasonably have been expected to have increased.

Section 24.7 Contract Amendment Preparation

- A. Contract amendments shall be prepared in triplicate, using the standard format provided by the Director, and shall be numbered the same as the original contract and routed in accordance with the same procedures outlined in Section 24.3, "Contract Preparation Process".
- B. Contract amendments shall be signed by all parties signing the original contract.

Section 24.8 Contract Amendment Process

- A. Changes not within the context of the original scope of work may not be accomplished with a change order, but shall require a Contract amendment and City Council approval if the contract amount is at or higher than the formal procurement limit of \$50,000.
- B. Contract amendments shall be reviewed and approved prior to the signing by the vendor in the following sequence:
 - 1. Purchasing
 - 2. City Attorney's Office
 - 3. City Council (If contract amount is at or higher than \$50,000)
- C. A copy of any contract amendment shall be sent to the Purchasing Office for inclusion in the procurement file. When applicable, a memo citing the original Purchase Order number shall be attached to the modification to authorize increase/decrease to the encumbrance by the amount needed to meet the new contractual commitment.

ARTICLE 25 CHANGE ORDERS (Discretionary)

A. Change Orders

The City of Flagstaff recognizes the need for City staff to review and approve change orders; task orders that exceed the City Council approved contract amounts; field orders that exceed the authorized limits; and purchase orders for capital projects that exceed the established limit in the City Procurement Code Manual.

The purpose of the Change Order Committee shall have authority to:

- 1. Review and recommend to City Council approvals, modifications, or disapprovals of design and construction change orders exceeding the time and/or dollar contractual amounts approved by the City Council;
- 2. Review and approve individual task orders for on-call consultant services that exceed \$100,000 or 365 calendar days;
- 3. Review and approve field orders that exceed \$100,000 or 60 calendar days;
- 4. Review and recommend to City Council approval of dollar and time amounts for engineering studies, feasibility studies, reports, contracts, and purchase orders for

capital projects that exceed the amount approved by the City Council or that exceed the purchasing limits, as outlined in this Procurement Code Manual; and

5. Review anticipated purchases by the City that require approval as determined by the City Manager, City Attorney, or City Director.

Section 25.1 *Change Order Process*

A change order shall be in written form for any and all changes in the contract's time, conditions or compensation. This written change shall be submitted to the Change Order Committee.

- A. Exception 1 – A Field Order, which is a written and limited change order that is issued under the Contract Allowance provision, does not require Change Order Committee action.

Staff shall have the following field order authorities:

Project Manager - \$10,000 and 10 calendar days.

Section Head - \$25,000 and 30 calendar days.

Division Head - Full contract allowance amount and 60 calendar days.

Field Orders that exceed \$100,000 or 60 calendar days require the Change Order Committee to approve the field order. The Change Order Committee can approve extensions with a “no time limit” cap, if it is a no cost change.

- B. Exception 2 – A Task Order, which is a written and limited order for a scope of work and is issued under the “On-Call” Consultant Contract, does not require Change Order Committee action.

Staff shall have the following Task order authorities:

Project Manager - \$10,000 and 10 calendar days.

Section Head - \$25,000 and 60 calendar days.

Division Head - Contract allowance, up to \$100,000 and 120 calendar days.

Task Orders that exceed \$100,000 or 120 calendar days require the Change Order Committee to approve the task order. The Change Order Committee can approve extensions with a “no time limit” cap, if it is a no cost change.

- C. Contractor may proceed with approved work only upon receipt of a fully executed Change Order and direction of the Purchasing Agent or Project Manager. Due to extenuating circumstances, confirming change orders are allowed upon Director and Project Manager approval.
- D. Change Orders that increase the total expenditure commitment from the informal to formal procurement limit are subject to approval through the formal contract award process as required in Section 26.1 “Notice Of Intent To Award”.
- E. No change order(s) shall exceed 25% of the original contract amount of a professional services contract, 15% of the original contract amount of a construction project, 25% of the original contract amount for all other types of contracts OR \$50,000; whichever is greater without Council approval.

- F. The City's Project Manager shall be responsible for routing of the change order form and obtaining Contractor approval. One (1) original of the completed and approved Change Order(s) shall be included in the contract file maintained by the Purchasing Agent. Copies shall be sent to Purchasing immediately after all applicable reviews and approval.
- G. A copy of any Change Order shall be sent to the Purchasing Office for inclusion in the procurement file. When applicable, a memo citing the original Purchase Order number shall be attached to the Change Order to authorize increase/decrease to the encumbrance by the amount needed to make the new contractual commitment.

Section 25.2 Change Order Conditions

- A. Contract Allowance - Contract allowances of 5%, 7.5% or 10% will be added to all design and construction contracts. The allowance is based on the engineer's estimate and will be included in design contracts for recommendation of award by City Council. The allowance will also be included in the bid for construction contracts for recommendation of award by City Council.

Contract amount*

over \$1,000,000 in value
from \$999,999.99 to \$250,000
from \$249,999.99 or lower

Contract Allowance

allowance of 5%;
allowance of 7.5%
allowance of 10%.

- B. Administrative Change Orders - A ten-percent (10%) Administrative Change Order (ACO) amount may be included in all design and construction contracts to be considered by the City Council. The ACO amount is 10% of the total contract less the Contract Allowance amount. The ACO shall not exceed \$500,000.

Administrative Authorization

<u>Contract Amount</u>	<u>Allowance</u>	<u>Administrative CO.</u>	<u>Total</u>	<u>Total Percentage</u>
\$12,000,000	\$600,000	\$500,000	\$1,100,000	9.2%
5,000,000	250,000	500,000	750,000	15.0%
1,000,000	50,000	100,000	150,000	15.0%
500,000	37,500	50,000	87,500	17.5%
100,000	10,000	10,000	20,000	20.0%

Task order – These are authorized scopes of engineering/design work issued to consultants who have approved on-call contracts with the City.

Section 25.3 Change Order Membership

The Change Order Committee Members will consist of the following:

1. Public Works Director or designee
2. Utilities Director or designee
3. City Attorney or designee
4. City Engineer or designee
5. Purchasing Director or Purchasing Agent

- A. The City Manager shall designate a Chair who shall preside over all the meetings, establish agendas, and distribute meeting minutes.
- B. The Change Order Committee meets as necessary on Thursdays (as necessary) at 7:15 a.m. (during summer work hours) and 8:15 a.m. (during winter work hours) in the Council Conference Room.
- C. An electronic copy of all change orders must be submitted to the Committee Chairperson by noon on Monday to be scheduled for the following Thursday's meeting.
- D. Three original change orders, signed by the Project Manager and Department Head shall be given to the Committee Chairperson after the change order has been approved. The Committee Chairperson will obtain all other necessary signatures including the contractor or consultant and distribute copies to the Project Manager.

ARTICLE 26 **AWARD OF CONTRACT** *(City Charter)*

The City Council shall award all contracts for materials, services and construction that meet or exceed the formal procurement limit as set forth in Article 7(B), "Formal Procurement Limit." The Purchasing Director shall award all contracts less than the formal procurement limit.

Section 26.1 ***Notice of Intent to Award***

- A. Contracts requiring Council award shall be summarized in a staff summary and posted for at least five days on the City's website prior to award.
 - 1. After Council award, Purchasing shall issue a Notice of Award, along with any associated supplemental Agreement. The Notice of Award shall require that all applicable documents (e.g., insurance certificates, performance and payment bonds and signed Agreement) be submitted to the City within ten (10) days.
 - 2. The Purchasing Agent shall issue a Notice to Proceed for construction and service contracts upon receipt of the, insurance certificates, signed agreement and any applicable bid, performance and payment bonds.

ARTICLE 27 **SPECIFICATION GUIDELINES** *(A.R.S. 41-2561 through 41-2568, except Section 27.12, which is an Administrative Policy)*

The Director shall establish guidelines governing the review and approval of specifications for materials, services and construction required by the City as secured through the formal or informal procurement process.

Section 27.1 ***Content of Specifications***

The Director shall establish guidelines governing the content of specifications used in City procurements to ensure adequate competition.

Section 27.2 ***Samples/Demonstrations***

- A. Samples of materials, when required during the solicitation process, shall be submitted in accordance with the instructions in the solicitation.

- B. Samples shall be furnished, free of charge, to the City submitted with the solicitation and must be accompanied by descriptive memorandum.
- C. Bid samples may be held for comparison with deliveries pursuant to a contract award.
- D. Samples will be returned according to the time frame included in the solicitation at the Bidder's risk and subject to his expense. The City will not reimburse the vendor for any expendable/consumable items that were consumed during the bid evaluation process.

Section 27.3 *Specification Approval*

The Purchasing Agent retains the authority to approve or disapprove all specifications to be used in a solicitation.

Section 27.4 *Specifications Guidelines*

- A. A specification may provide alternate descriptions of materials, services, or construction items where two or more design, functional, or performance criteria will satisfactorily meet the City's requirements.
- B. To the extent practicable, a specification shall not include any solicitation term or condition, or any contract term or condition.
- C. To the extent practicable, if a specification for a common or general use item has been developed, or a qualified products list has been developed for a particular material, service, or construction item, it shall be used.
- D. To the extent practicable, specifications shall emphasize functional or performance criteria. When using performance specifications all brands bid shall be evaluated after receipt of bids to determine those meeting specifications.
- E. To the extent practicable, specifications shall be written as minimum standards.
- F. Unless otherwise specifically stated in the solicitation, any equipment or materials specified shall be standard, new, and state-of-the-art in quality and design, and shall comply fully with all applicable federal and Arizona laws and regulations.

Section 27.5 *Maximum Practicable Competition; Brand Name or Approved Alternate; Qualified Products List*

- A. ***Maximum Practicable Competition.*** All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the City's needs and shall not be unduly restrictive.
 - 1. To the extent practicable and unless otherwise permitted by this section, all specifications shall describe the City's requirements in a manner that does not unnecessarily exclude a specific material, service or construction item.
 - 2. Proprietary or brand name specifications shall not be used unless the Director determines in writing that such specifications are required and demonstrate technological justification and that it is not practicable or advantageous to use a less restrictive specification.

3. To the extent practicable, the City shall use accepted commercial specifications and shall procure standard commercial materials and avoid proprietary specifications whenever practicable.
- B. ***Brand name or approved alternate.*** A brand name or approved alternate specification shall only be used when the Director determines in writing that use of a brand name or approved alternate specification is advantageous to the City and the solicitation provides for the submission of equivalent products. The solicitation document shall state that “the City reserves the right to determine what is considered an equivalent product.”
1. A brand name or approved alternate specification shall designate as many different brands as are practicable or approved alternate specifications.
 2. A brand name or approved alternate specification shall include a description of the particular design, functional, or performance characteristics that are required, unless the Director determines in writing that the essential characteristics of the brand names designated in the specifications are commonly known.
 3. A solicitation that uses a brand name or approved alternate specification shall explain that the use of a brand name is for the purpose of describing the standard of quality, performance, and characteristics desired and is not intended to limit or restrict competition. The solicitation shall state that products substantially equivalent to those brands designated shall qualify for consideration.
- C. ***Qualified products list.*** A qualified products list may be prepared and utilized, if the Purchasing Agent determines in writing that testing or examinations of the material or construction items prior to the issuance of the solicitation is desirable or necessary in order to best satisfy the City's requirements. As many potential suppliers as practicable shall be solicited to submit products for testing and examination to determine acceptability for inclusion on a qualified products list. Any potential supplier, even though not solicited, may offer its products for consideration in accordance with the schedule or procedure established for this purpose. The qualified products list shall not be modified after the solicitation is issued.

Section 27.6 *Inspections and Tests*

- A. The inspection or testing of any material to verify specification adherence or qualify for a products list, shall be performed in a manner established on a case by case basis.
- B. If testing is required, the requirements shall be included in the solicitation.
- C. The City reserves the right to require testing or inspection by a recognized testing laboratory or consultant selected by the City.
- D. The cost of testing or inspection shall be borne by the Bidder submitting a bid for the products the City is requesting.

Section 27.7 *Proprietary Specifications*

Proprietary specifications are not justified by past success in performance, the inconvenience of writing specifications, or the desire to maintain a single brand that is not supported by technological justification.

Section 27.8 *Product Testing Guidelines*

City Staff may test materials or services in a manner agreed upon with the material or service supplier provided the following guidelines are applied:

- A. City Staff is not required to test solely for supplier's benefit;
- B. City Staff may not accept materials for testing unless those materials have been purchased through purchasing procedures provided by this Procurement Code Manual;
- C. Any testing shall be at the direction and convenience of City staff;
- D. The City's name may not be used by any person in connection with any advertising sale, or promotion of any product tested by the City staff; and
- E. Any materials testing shall be pursuant to industry standard testing of materials and a written testing agreement shall be in place between the City and the supplier. The Director must be notified of all testing agreements prior to commencement of testing.

Section 27.9 *Specifications Prepared by Architects; Engineers; Consultants*

All specifications prepared for City contracts shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the City's needs and shall not be unduly restrictive. In the event that suitable specifications cannot be developed by City staff, the Director may retain a specification consultant for the purpose of assisting with the writing of the specifications. The consultant shall be selected pursuant to either Section 7.1, "Informal Procurement Process", or Article 11, "Formal Procurement Process—Request for Proposals".

Section 27.10 *Preparation of Specifications by Persons Other than City Personnel*

- A. The City may contract for the preparation of specifications with persons other than City personnel including, but not limited to, consultants, architects, engineers, designers, manufacturers, and others.
- B. The requirements of Article 27, "Specifications Guidelines" shall apply to all specifications prepared by vendors, including, but not limited to, those prepared by consultants, architects, engineers, designers, and other draftsmen of specifications for public contracts. Contracts for the preparation of specifications by other than City personnel shall require the specification writer to adhere to such requirements.
- C. The preparer of specifications is not eligible to submit a bid or proposal on the solicitation for which the specification was prepared nor is the preparer eligible to supply any product to a Bidder or Proposer on the solicitation for which the specification was prepared; provided however, the Director may make an exception to this provision when justified by the business practices of the applicable industry or it is otherwise in the best interest of the City. The Purchasing Agent shall place in the solicitation file, a written determination, including all relevant facts in any case where an exception is made.
- D. The terms and conditions of contracts for preparation of specifications shall reference the rule in Subsection C above.

Section 27.11 *Recycled and energy consumptive materials; life cycle costing; environmental procurement.*

Guidelines shall be established governing the review and approval of specifications for the procurement of selected materials based on considerations of recycling, energy conservation, life cycle costing and other environmental considerations.

Section 27.12 *Environmental/Sustainable Procurement Policy*

- A. A Sustainable Purchasing Policy, hereinafter referred to as Policy, has been established to ensure the procurement of products and services that reduce the consumption of resources and the production of waste, minimize adverse health effects and reduce costs to the City.

The principles of the Policy are rooted in resource efficiency, life cycle perspective, and pollution prevention. Resource efficiency incorporates preference to reusable content and recycled materials over virgin materials, as well energy and water conservation. Life cycle perspective considers the environmental impact of a product or service over its lifetime (raw material extraction, manufacturing, packaging, transport, energy consumption, maintenance and disposal). Pollution prevention incorporates processes and practices that prevent the creation of pollution and wastes, rather than managing these after they have been created.

The Policy requires the City to:

1. Strongly promote the purchase and use of materials, products and services that are fiscally responsible, reduce resource consumption and waste, promote local business opportunities, and promote human health and well-being.
 2. Minimize the consumption of non-replaceable natural resources by reviewing current and proposed future usage and evaluating the pros and cons of alternatives.
 3. Maximize the reuse and recycling of materials. Require a minimum 50% post-consumer waste recycled content for paper. Require recyclability of products in compliance with the City's recycling program, reusability, and performance consistent with City standards to the extent practicable.
 4. Use and require contractors and consultants to use products manufactured with maximum practical amount of recovered material, especially post-consumer material.
 5. Stimulate demand for products and services supporting the Policy by letting manufacturers and suppliers know the performance the City expects.
- B. The Sustainability Program staff shall provide support to Purchasing and Division Staff in their efforts to meet the requirements of the Policy.
- C. Procedures and Guidelines may be established as necessary to ensure the continuation of a strong Sustainable Procurement Program.

ARTICLE 28 **DISPOSITION OF SURPLUS PERSONAL PROPERTY (CITY CHARTER)**

A. *Surplus Personal Property Disposition*

The City Council or designee, may sell, trade, transfer between offices, Divisions or otherwise dispose of surplus personal property pursuant to Article 8, "Contracts", Sections 4, "Transfer and Sale of property Within City Government", and Section 10, "Sale of City Property", number 1 and 3 of the Flagstaff City Charter. Each sale shall be made to the highest responsible Bidder after published notice of the sale in accordance with the following schedule:

1. Informal Process: Personal property having a value of \$500.00 or less may be sold without published notice, but written advice of such sale or disposal shall be given to the City Council.
2. Formal Process: Personal property valued in excess of \$500.00 shall be sold after published notice of the sale for at least once, but not less than five (5) days prior to the published notice. .
 - 2.1 All personal property disposition under a formal process, shall be sold by public on-site auction, public on-line bidding process or through a formal competitive sealed bid sale process.
 - 2.2 Any surplus property shall be sold through a formal competitive sealed bid sale, when it is more advantageous to the City than holding it for public on-site auction or public on-line bidding.
 - 2.3 All formal sealed bid sales shall be conducted in a manner substantially similar to the procedures established in Article 10, "Formal Procurement Process— Invitation For Bids" and shall include a description of the property for sale and all terms and conditions applicable to the sale.
 - 2.4 Public notice of any sealed bid sale shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of the bids.
 - 2.5 Any surplus property sold under this formal competitive sealed bid sale process, shall be sold to the person making the highest responsive, responsible, offer most advantageous to the City.

Property seized during the course of a police investigation shall not be subject to this Procurement Code Manual until such time as any State and Federal laws have been complied with and the property is declared surplus by the Police Department.

B. *Declaration Regarding Surplus Property*

The disposition of all City owned surplus property shall be determined and handled by the City's Central Warehouse. Divisions shall be responsible for property in their possession and as necessary, may declare such property as surplus and shall complete a surplus property form with all required signatures. This form is available on the City of Flagstaff CityNet and shall accompany all items taken to the Warehouse as surplus property and need to reflect whether the item(s) are operational or not, so the information can be given to Bidders.

Section 28.1 *Organizational Need*

Prior to pursuing any method for disposal of surplus property, the Division or end-user shall first determine that it is of no use to any other Division. Divisions shall review inventories of personal property to determine the existence of excess or obsolete items that could be declared surplus property and shall notify the Central Warehouse Manager.

Section 28.2 *Surplus Property Listing*

A listing of surplus property shall be maintained by each Division and such property shall be transferred between Divisions as needed prior to any other disposition method handled by the Central Warehouse. The Central Warehouse shall maintain a surplus property list of all items that are located at the Central Warehouse and scheduled to be sold either through a public on-site auction or public on-line bid sale.

Section 28.3 *Surplus Property Trade-In Allowance*

Prior to trading for credit against a new purchase or service, the Purchasing Agent shall determine the fair market value and document the disposal in the surplus item file with reference to the Purchase Order for the new goods or services.

Section 28.4 *Proceeds From Sales*

All proceeds from the sale of surplus property shall be deposited in an established revenue account of the City determined by the Finance Director.

Section 28.5 *Donation of Surplus Property*

Surplus personal property may be donated to organizations in exchange for services that would benefit the local Flagstaff community, where such value would exceed the revenues generated from a sale through an auction or sealed bid, as determined in writing by the Director. For donations valued in excess of \$50.00, the receiving organization shall execute a receipt or contract according to how the donation will be used. Any donation, exceeding \$500.00 in value, shall be approved by the City Council.

ARTICLE 29 *PROTESTS (Discretionary)*

An actual or prospective Bidder or Proposer, who is aggrieved in connection with the solicitation or award of a contract, may protest any aspect of a solicitation prior to award of a contract.

Section 29.1 *Time for Filing Protests*

- A. Protests based upon alleged improprieties in a solicitation that are apparent before the solicitation due date shall be filed not less than five (5) working days before the solicitation due date. Contracts shall be final and no protest pursuant to this section may be filed after award.
- B. In cases other than alleged improprieties in a solicitation, protests shall be filed within ten (10) days after the aggrieved person knows or should have known the facts and circumstances upon which the protest is based. However, in no event, shall the protest be filed later than ten (10) days after issuance of notification of award.

Section 29.2 *Filing of a Protest*

- A. A protest shall be submitted, in writing, to the Director and shall include the following information:
 - 1. The name, address, telephone number and e-mail address of the Protestant;
 - 2. The signature of the Protestant or its representative;
 - 3. Identification of the solicitation and contract number;
 - 4. A detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and
 - 5. The form of relief requested.
- B. The Director, without waiving the City's right to dismiss the protest for lack of timeliness, may consider any protest that is not filed timely.
- C. The Director shall give notice of the protest to the successful vendor if award has been made, or if no award has been made, to all actual or prospective Bidders or Proposers.
- D. The Director shall review the formal protest and issue a written ruling within fourteen (14) days of receiving the formal protest in accordance with Section 29.1, "Time for Filing Protests", and Section 29.2, "Filing of a Protest". The Director may also give notice of the ruling to any other persons involved in the solicitation whose interests may be affected by the ruling requested from the Director.
- E. If the Director fails to issue a decision within the time limits set forth in subsection (D) of this section, the protestant may proceed with a request for a hearing as if the Director had issued an adverse decision.

Section 29.3 *Stay of Procurements During the Protest*

In the event of a timely protest under Section 29.1, "Time for Filing Protests", the City may proceed further with the solicitation or with the award of the contract unless the Director makes a written determination that there is a reasonable probability that the protest will be sustained or that the stay of procurement is not contrary to the substantial interests of the City.

Section 29.4 *Confidential Information*

- A. Material submitted by a Protester shall not be withheld from an interested party except to the extent that the withholding of information is permitted or required by law or as determined pursuant to Procurement Code Manual provisions for confidential material.
- B. If the Protester believes the protest contains material that should be withheld, a statement advising the Director of this fact shall accompany the protest submission.

Section 29.5 *Remedies*

- A. If the Director sustains the protest in whole or part and determines that a solicitation or proposed contract award does not comply with the procurement statutes and regulations, the Director shall implement an appropriate remedy.

- B. In determining an appropriate remedy, the Director shall consider all the circumstances surrounding the procurement or proposed procurement including, but not limited to, the seriousness of the procurement deficiency, the degree of prejudice to other interested parties or to the integrity of the procurement process, the good faith of the parties, costs to the City, the urgency of the procurement and the effect of the relief.
- C. An appropriate remedy may include one or more of the following:
 - 1. Reissue the solicitation and award a contract consistent with this Procurement Code Manual; or
 - 2. Such other relief as is determined necessary to ensure compliance with the City Charter, City ordinances and/or this procurement Code Manual.

Section 29.6 Dismissal Before Hearing

The Director shall dismiss a protest, upon a written determination, before scheduling a hearing if:

- 1. The protest does not state a valid basis for protest; or
- 2. The protest is untimely pursuant to Article 29, "Protests".

ARTICLE 30 HEARINGS (Discretionary)

These procedures apply to a claim or controversy by an interested party arising out of a solicitation issued by the City, a proposed award of a City contract, or a debarment from the City procurement process. Hearings required or permitted by this Procurement Code Manual shall be conducted by the City Manager or designee.

Section 30.1 Request for Hearing

- A. If a controversy or formal protest is not resolved by the Protestant and the Director, the Protestant may request a hearing in writing ("Hearing Request"), to the Director, within ten (10) days. The hearing will be conducted by the City Manager, or the City Manager's designee ("Hearing Officer") and shall be held within thirty (30) days after the Hearing Request is received by the Director, unless the parties agree otherwise.
- B. Award of a City contract may be postponed if a timely Hearing Request is received.

Section 30.2 Rights and Responsibilities

- A. Generally. Parties may be requested by legal counsel at the hearing before the Hearing Officer. A party may present testimony and documentary evidence and argument with respect to the issues and may examine and cross examine witnesses.
- B. Preparation. A party shall have all witnesses, documents and exhibits available on the date of the hearing.
- C. Exhibits. A party shall provide a copy of each exhibit to all other parties at the time the exhibit is offered to the Hearing Officer, unless it was previously provided to the other parties.

Section 30.3 *Ex Parte Communications*

- A. A party shall not communicate, either directly or indirectly, with the hearing Officer about any substantive issue in a pending matter unless:
 - 1. All parties are present;
 - 2. It is during a public meeting of the City Council of which notice was given as required by the Arizona Revised Statutes and City ordinances;
 - 3. It is during a scheduled proceeding, where an absent party fails to appear after proper notice; or
 - 4. It is in writing with copies to all parties.
- B. All parties shall not file a document or send a letter to the Hearing Officer without sending a copy to the other parties. All parties shall make sure that all other parties are notified and given a copy of any document sent to a Hearing officer.

Section 30.4 *Conduct of Hearing*

- A. Recording of Hearing. The Hearing Officer will have a recording made of the hearing at the expense of the City. To maintain the objectivity of the hearing record, the Hearing Officer shall control the process of making the recording during the hearing. If the Protestant or its representatives request a transcript of the proceeding, it shall pay the costs to the City, in burdened staff time or actual cost of a contract stenographer, of creating the transcript.
- B. Opening. The Hearing Officer shall begin the hearing by stating the nature and scope of the hearing, and identifying the parties, counsel, and witnesses for the record.
- C. Stipulations. The Hearing officer shall enter into the record any stipulation, settlement agreement, or consent order entered into by any of the parties before or during the hearing.
- D. Opening Statements. The Protestant may make an opening statement at the beginning of a hearing. All other parties may make statements in a sequence determined by the Hearing Officer.
- E. Order of Presentation. After opening statements, the Protestant shall begin the presentation of evidence, unless the parties agree otherwise or the Hearing Officer determines that requiring another party to proceed first would be more expeditious or appropriate, and would not prejudice any other party.
- F. Examination and Documentary Evidence. A party shall conduct direct and cross examination of witnesses on the order and manner determined by the Hearing Officer to expedite and ensure a fair hearing. The Hearing Officer shall make rulings necessary to prevent argumentative, repetitive, or irrelevant questioning and to expedite the examination. The rules of evidence do not apply, and the Hearing Officer may admit evidence over hearsay or other objections where the offered evidence has substantial probative value and reliability. The Hearing Officer shall mark exhibits and admit them into the record as evidence as the parties present them. Copies of records and documents prepared in the ordinary course of business may be admitted. Summary accounting records may be admitted subject to satisfactory proof of the reliability of the summaries.

- G. Closing Argument and Post Hearing Memoranda. When all evidence has been received, parties shall have the opportunity to present closing argument, in a sequence determined by the Hearing Officer. The Hearing Officer may permit or require closing oral argument to be supplemented by written memoranda. The Hearing officer may permit or require written memoranda, as well as proposed findings, to be submitted simultaneously or sequentially after the hearing.
- H. Conclusion of Hearing. Unless otherwise provided by the Hearing Officer, the hearing is concluded upon the submission of all evidence, the making of final argument, or the submission of all post hearing documents, whichever occurs last.
- I. Closing of the Hearing Record. At the end of the hearing, the Hearing Officer shall set deadlines for submission of post hearing filings and the date for the closing of the record.
- J. Findings. The Hearing Officer shall issue written findings within ten (10) days of the close of the record. The original of the findings shall be sent to the City Clerk with copies to the City Council and the parties.

Section 30.5 *Failure of Party to Appear for Hearing*

If a party fails to appear at a hearing, the Hearing officer may proceed with the presentation of the evidence of the party who is present.

Section 30.6 *Witnesses*

All witnesses at the hearing shall testify under oath or affirmation.

Section 30.7 *Burden of Persuasion*

Unless otherwise provided by law:

1. The party asserting a claim, right, or entitlement has the burden of persuasion; and
2. A party asserting an affirmative defense has the burden of establishing the affirmative defense.

Section 30.8 *Disruptions*

A person shall not interfere with access to or from the hearing room, or interfere, or threaten interference with the hearing. If a person interferes, threatens interference, or disrupts the hearing, the Hearing Officer may order the disruptive person to leave or be removed.

Section 30.9 *Hearing Record*

- A. Maintenance. The City clerk shall maintain the official record of a matter.
- B. Transfer of Record. Any party requesting a copy of the record or any portion of the record shall make a request to the City Clerk and shall pay the costs of duplication, based upon the City's copying charges.
- C. Release of Exhibits. Exhibits shall be released:
 1. Upon the order of a court of competent jurisdiction ; or

2. Upon written request of the party who submitted the exhibits if the time for judicial appeal has expired and no appeal is pending.

Section 30.10 *Finality of Hearing Officer's Findings*

- A. The Hearing officer's findings shall be final and documented in written format and made part of the solicitation file.

ARTICLE 31 SUSPENSION, DEBARMENT (A.R.S. 41-2613)

- A. The Director may suspend or debar any person from consideration for award of a contract pursuant to this Procurement Code Manual. Suspension of any person shall not exceed six (6) months. A debarment shall not exceed three (3) years.
- B. The causes for debarment or suspension may include, but are not limited to, the following:
 1. Conviction of any person or any subsidiary or affiliate of any person for commission of a criminal offense arising out of obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.
 2. Conviction of any person or any subsidiary or affiliate of any person under any statute of the Federal Government, this State or any other state for embezzlement, theft, fraudulent schemes and artifices, fraudulent schemes and practices, bid rigging, perjury, forgery, bribery, falsification or destruction of records, receiving stolen property or any other offense indicating a lack of business integrity or business honesty which affects responsibility as a City contractor.
 3. Conviction or civil judgment finding a violation by any person or any subsidiary or affiliate of any person under state or federal antitrust statutes.
 4. Violations of contract provisions of a character which are deemed to be so serious as to justify debarment action, such as either of the following:
 - a. Knowingly failing without good cause to perform in accordance with the specifications or within the time limit provided in the contract.
 - b. Failure to perform or unsatisfactory performance in accordance with the terms of a contract, except that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment.
 5. Any other cause deemed to affect responsibility as a City contractor, including suspension or debarment of such person or any subsidiary or affiliate of such person by another governmental entity for any cause listed in the established rules.
- C. Before imposing a suspension or debarment, the Director shall give the affected party written notice of the grounds for suspension or debarment and shall afford such person an opportunity for hearing.

Section 31.1 *Resolution of Contract Controversies - Materials, Services and Construction Contracts*

- A. The Purchasing Agent and the end-user shall have the authority and responsibility to enforce all performance and terms under all contracts where they are named as Administrator.
- B. If any issue regarding performance under the contract cannot be resolved by mutual agreement between the Purchasing Agent/end-user and the Vendor/Contractor shall, through the City Attorney's Office, pursue resolution as provided in the terms of the original contract or under applicable law. The Purchasing Agent shall prepare a written decision informing the vendor of the required performance.
 - 1. Final written decision shall include:
 - a. A description of the controversy;
 - b. A reference to the pertinent contract provision;
 - c. A statement of the factual areas of agreement or disagreement;
 - d. A statement of the decision, with supporting rationale; and
 - e. Instructions for appeal

After preparation of the decision, the Contract Administrator shall send the decision to the Director who shall deliver the decision to the Vendor/Contractor by certified mail, return receipt requested, or by any other method that provides evidence of receipt.

- C. If the Vendor/Contractor fails to comply with all terms of the notice of final decision, the Vendor/Contractor may be declared in default and the contract may be terminated based upon the review and procurement/legal opinion from the Director and City Attorney's Office.

The Vendor/Contractor may be suspended or debarred under the provision of Article 31, "Suspension, Debarment". The Director may render a decision for the suspension and debarment of the Vendor/Contractor if violations of contract provisions of a character which are deemed to be so serious as to justify debarment action, such as either of the following:

- a. Knowingly failing without good cause to perform in accordance with the specifications/scope of work or within the time limit provided in the contract.
- b. Failure to perform or unsatisfactory performance in accordance with the terms of a contract, except that failure to perform or unsatisfactory performance caused by acts beyond the control of the Vendor/Contractor shall not be considered to be a basis for debarment.

ARTICLE 32 *SEVERABILITY (Discretionary)*

If any article, paragraph, sentence, clause, or phrase of this Procurement Code Manual or its application to a particular set of persons or circumstances is for any reason declared invalid or unconstitutional by the decision of any court or competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Procurement Code Manual, it being the intent that the provisions of this Procurement Code Manual are severable.

Memorandum

7.

CITY OF FLAGSTAFF

To: The Honorable Mayor and Council
From: Patrick Bourque, Public Works Section Head
Date: 03/19/2013
Meeting Date: 03/26/2013



TITLE:

Presentation on the Discussion and Next Steps for the Core Services Maintenance Facility.


DESIRED OUTCOME:

Review presentation, discuss and provide staff direction.

INFORMATION:

Staff has prepared a presentation for discussion and direction from Council on proceeding with the Core Services Maintenance Facility project. The presentation includes suggestions for identified changes and additions to the previous RFP as well as suggestions to identify as many properties as possible that meet the City's requirements for the Facility.

Attachments: PW Core Maint.Fac. PowerPoint



Core Services Maintenance Facility March 26, 2013

Proposed Additions/Changes to the RFP
&
Next Steps

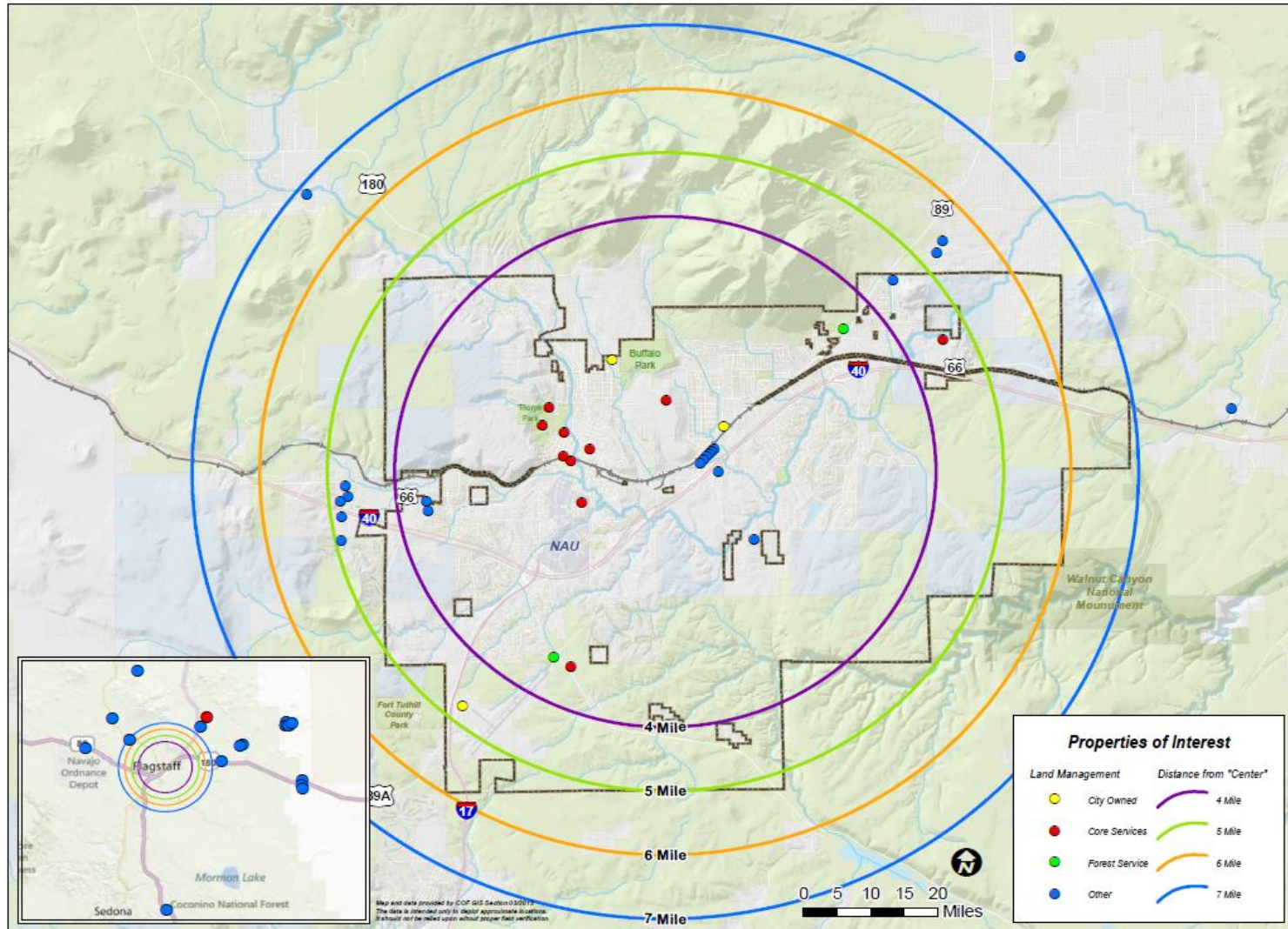


Topics for Discussion

- Background/History
- Previous RFP Scope with proposed additions
 - Recap of existing Core Services locations
 - Some identified new locations
 - Potential City owned locations
 - Consideration of direct sale with the Forest Service
- Previous RFP Process with proposed revisions
(Advertisement, Pre-proposal Conference, Evaluation Criteria and Proposer's Shortlist, Formal Discussions and Best and Final Offers)



Available Properties



Request For Proposal (RFP) Advertisement

- **PREVIOUS RFP ADVERTISEMENT METHODOLOGIES**
(May 30, 2012):
 - ***RFP open for prospective offerors three (3) weeks***
 - ***RFP advertised twice in the AZ Daily Sun one (1) week apart***
 - ***RFP posted to our City website***
-

- **PROPOSED REVISED ADVERTISEMENT METHODOLOGIES:**
 - ***RFP open minimum of six (6) weeks***
 - ***RFP advertised three (3) times, two (2) weeks apart***
 - ***Conduct public outreach***



Pre-proposal Conference

PREVIOUS RFP PRE-PROPOSAL CONFERENCE:

- *Non-mandatory, Pre-proposal conference*
 - *Individuals or companies in attendance had the opportunity to ask questions*
-

PROPOSED REVISED PRE-PROPOSAL CONFERENCE:

- *Consider mandatory pre-proposal conference*
- *Conduct on-site tour of existing Public Works yard and the McAllister Ranch.*

Evaluation Criteria

PREVIOUS RFP EVALUATION CRITERIA:

- *Location (20%)*
 - *Quality of on-site and off-site infrastructure (20%)*
 - *Useable existing facilities that would interact with the public works functions (20%)*
 - *Possible phased approach to purchase property (10%)*
 - *Possible purchase of current City owned property (30%)*
-

PROPOSED REVISED EVALUATION CRITERIA:

- *Location (30%)*
- *Quality of on-site & off-site infrastructure (25%)*
- *Useable existing facilities that would interact with the public works functions (15%)*
- *Possible phased approach to purchase property (10%)*
- *Possible purchase/exchange of current City-owned property (15%)*
- *Offer price (5%)*

RFP Process:

Proposers Shortlist, Formal Discussions, Best and Final Offers

PREVIOUS RFP PROCESS:

- *None of the RFP process formalities above were conducted due to only one proposer*

PROPOSED REVISED RFP PROCESS:

- *Assuming we will have competition:*
 - *Short-list*
 - *formal discussions*
 - *best and final offer phase.*



Thank You for Your Consideration

Questions?

